DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XV, no. 1 Section 1 October 1, 1924.

President Coolidge Asks for Sugar Data — The President yesterday asked the Department of Agriculture for all available data on the sugar beet situation, to be used by him in reaching a decision on the report of the Tariff Commission proposing a reduction in the present duty on sugar, according to the press to-day. It is said he expects to announce his decision next month.

National Dairy Show — A Milwaukee dispatch to the press to-day reports: "A touch of the international was given the National Dairy Show here September 30 with the arrival of representatives of many nations. Among the more prominent foreign dairymen here are C. A. Anderson, Stockholm, Sweden; R. S. Sarkaria, Kahlsa College, Amritsar, India; D. J. Retief, Pretoria, South Africa, and G. H. Buisson, Orange Free State, South Africa. The ninth annual meeting of the American Dairy Science Association held in connection with the show, nominated officers to compete in an election to be held next month. These nominees are Prof. C. E. Reed, Michigan, and Prof. H. B. Ellenberger, Vermont, for president; Prof. H. F. Judkins, Massachusetts, and Prof. W. M. Ragen, California, vice presidents; Professors K. H. Franzen, Nebraska, and R. E. Ross, New York, for editor of the Dairy Science Journal. The South and Southwest look to Wisconsin for their supply of dairy cattle, and are turning away from the raising of cotton to enter the more profitable field of dairying, Governor Whitfield, of Mississippi, asserted in a statement. He is here with a delegation of fifty dairymen. Wisconsin to-day swept the field in the winning of blue ribbons in Guernsey grade cattle."

Grain Rates — Proposed new schedules canceling the through rates on grain and grain products from points in Minnesota, Iowa, Missouri and Illinois to destinations in Kansas, Oklahoma, Nebraska, Colorado and Wyoming, to permit combination rates based on the primary grain markets, were ordered suspended by the Interstate Commerce Commission September 30 from October 1 until January 29. The new schedules would increase the rates on wheat and corn. (Press, Oct. 1)

Cotton Speculation — A New York dispatch to the press of September 30 states that the New York Exchange September 29 issued a statement warning investors in the South of the danger of losing millions of dollars in the next few months, due to the operations of irresponsible firms who are flooding the mails with literature describing large profits to be made by trading in cotton at this time. Last year, the exchange estimated, so-called cotton brokers of this type fleeced the South of more than $5,000,000.

Section 2

Agriculture and Business

The need of a better realization on the part of business men of the fact that agriculture is absolutely controlling in all business was stressed by former Secretary of Agriculture E. T. Meredith in an address to members of the American Bankers Association in convention at Chicago, yesterday. "The opportunity to go into banking, the publishing business, to market groceries, to establish a drug store, all these," said Mr. Meredith, "in the final analysis have been given to us because of agriculture. The conditions in agriculture from year to year affect every one of these institutions most vitally. The income from agriculture -- and consequently its support of business -- is regular, not hit and miss or spotted throughout the year, and not largely all in one season of the year as many business men seem to be under the impression it is. When one single source of farm income takes a slump, the calamity howlers make so much of it that some are led to overestimate its effect upon general business, as was the case with wheat. One would think that the farmer received his entire income from wheat; and yet 1922 production figures show that the farmer received less for his wheat than he did for his corn, hay, cotton, or vegetables, as well as from several sources of animal product income. It is true that a decreased income from any one farm product such as wheat is a serious blow to the farmers who are depending on this one crop for their major income, but we should keep in mind, when considering agriculture as a whole, that a slump in any one product does not materially impair agricultural purchasing power as a whole. The idea that the farmer gets his income in the fall is quite prevalent and just as erroneous. An average distribution of income would be 8.3 per cent each month which is not very different from the farmer's actual experience. Another important feature that business men should consider is the farmer as a buyer under any and all conditions. There are six and one half million farms in the United States, each one in reality a small factory. Altogether they are going to spend ten, twelve or fourteen billion dollars a year just to keep going, no matter whether they make money or not, no matter whether they have a surplus or not. Throughout the year they need large quantities of foodstuff, breakfast foods, flour, soap, and canned fruits and supplies of all kinds. There eleven million men, as many women and twenty million children on these farms and they all buy or have things bought for them.

"Because the farmer is such an important factor in the Nation you and I should take an active, earnest interest in seeing that he gets a square deal. ... One cattle tick in February means 12,000 in June and 12,000,000 in September. A cow can cope with one tick in January and February. Then it is one cow and one tick, but in September it is 12,000,000 ticks and no cow. That cattle owner doesn't come to market, and his money does not circulate and make business for your customers. You are vitally interested in what is being done to kill the tick. We lose $200,000,000 a year in the South through the boll weevil. In the Northwest we lose 200,000,000 bushels of wheat annually on account of the wheat smut. Its eradication eventually means money to the city business man. The appropriation for the Department of Agriculture is one-fourth of one per cent

of the total Government appropriations, and that is all. I urged the appropriation be increased to amount to the difference between one-fourth of one per cent and one third of one per cent. The politicians would not grant it because they feared being criticized by the taxpayers. It is time you and other taxpayers interest yourselve in how the tax money is spent." (Press, Oct. 1)

Canned Foods

The Wall Street Journal for September 30 says: "In the first six months of 1924 exports of canned foods increased almost 24 per cent over last year. Plainly the economic stabilization of Europe will benefit everything associated with the tin can, from the plate mill to the farm whose products fill the completed receptacle. In 1923 the post-war depression caused a heavy shrinkage in foreign purchases of canned foods. This is changing now, principally because British, German, Belgian and Dutch consumers are buying more. The increase over last year is in almost every kind of commodity heretofore shipped in tins, beef being the principal exception. A total of 276,000,000 pounds of canned foods shipped in the first six months of this year shows the importance of tin cans in our foreign trade. The list of foods shipped in cans covers meats, fish, milk and nearly all kinds of fruits and vegetables. Dairymen will be interested in knowing that milk -- both evaporated and condensed -- forms one of the leading exports. In the period under consideration Germany and Great Britain, the two leading consumers, greatly increased their purchases of milk. France and Belgium also are heavy consumers. An improved outlook in the European situation, therefore, means something to the dairymen of the United States. One of the most encouraging facts in this trade is the increase in shipments of perishable fruits and vegetables. Peaches, for instance, have always had the lead in this trade, and now the demand is 60 per cent greater than last year. With a growing market, here is a pertinent question. Why should peach production in the South be such a gamble as it is now? This summer there were bank failures in Georgia because the peach crop could not be marketed, yet the California producers of soft fruits maintain steady shipments to New York. Their canned goods can be found on the shelves of stores in Georgia, where this year enough of the crop went to waste to cause bank failures. This is a hungry world because there is never any great overproduction of foods. The post-war depression resulted in an underconsumption, but that is passing away and people are beginning to buy more freely. If Georgia had the canneries to tin the surplus peaches, and other facilities to make jams and syrups of culls and windfalls, would it be necessary for banks to fail when there is a growing market for this product? Fruits and vegetables can be raised throughout the South in great abundance, for it has the right climate and labor. What it seems in very truth to need is someone to tie the tin can to it."

Farm Movement

An editorial in Implement and Tractor Trade Journal for September 27 says: "There seems to be some promise of relief from the tendency of country people to flock to the cities. Rapid industrial expansion which had already set in heavily at the start of the war, was feverishly intensified during the hostilities. Peace

came and found a greatly enlarged industrial plant representing a huge investment. Manufacturers racked their brains to keep this plant in production on a peace-time basis. New markets were developed and the process of industrialization went on. More farm people found themselves drawn to the cities. They helped solve the urban labor problem. But there had to be a limit to the movement cityward. In some sections this limit appears to have been reached. The return of agriculture to something like prosperity has made farm life more desirable. A new back-to-the-farm movement, wholly unrelated to the one so unsuccessfully propagated some years ago, may be expected to set in. It would be unwise to attempt to predict its scope. At any rate, it is governed by but one thing -- economic law. For a number of years farm sales have been numerous. This has been one of the difficulties of the implement industry. Farmers who stuck to the farms drew large supplies of used equipment from farmers who had given up farming. The market was probably affected by this circumstance to a greater extent than was generally realized. Because of the increased favor with which the farm is now regarded, it seems reasonable to believe that new equipment in the future will not receive so much competition from old equipment bought cheaply at farm sales. In the Northwest, particularly, land settlement is going forward at a rate not enjoyed since the war. Settlers are evincing renewed interest in the new lands of North Dakota, Montana, Minnesota and other States with available agricultural land not yet developed. By the same token, ex-farmers, acquainted with the improved farm conditions in the older States, are looking back to their old neighborhoods with reawakened ambition to farm the land once more."

Flour Buying

Modern Miller for September 27 says: "One of the reasons advanced for some time past by southern consumers for purchasing flour in a conservative way was that the advance in wheat is due largely to the rise in the price of corn, and the belief that lower prices will be established for both when the new crop of corn comes on the market. That there is absolutely no foundation for such reasoning is shown by the fact that although corn has come down 12¢ to 14¢ per bushel the past three weeks the price of wheat has remained virtually stationary. There, of course, are other reasons why flour buyers are not purchasing in the usual volume for future requirements but prefer to follow the market and take on supplies from time to time as needed. They believe the spring wheat crop will be larger than had been estimated and that a large volume will be moving before long in the Northwest and in Canada. No such development is as yet noticeable. It also is contended that the present volume of exports of flour and wheat can not be maintained. In this connection it can be pointed out that not only do shipments continue heavy, but that so much flour and wheat is booked that ocean freight room is so scarce for September and October shipment that rates had to be advanced. In fact, export trade is holding up well."

Flour Exports

An editorial in Modern Miller for September 27 says: "Hard winter wheat flour millers in the Southwest are enjoying a rather extensive export business at the present time. For several weeks there has been a steady increase in their foreign sales until at the

present time the volume of business is equal to if not in excess of what many of these mills did in previous years. While the start of the export movement found the inquiry mainly for clears, with these grades becoming scarcer, there developed a trade for straights, cut straights and some patents. Holland and Germany have been the heavy buyers, but other European countries are also taking liberal amounts. The United Kingdom buyers were slow in falling into line, but once they got started developed into steady buyers. The export inquiry continues strong, however limitations are being placed on the transactions, due to some of the mills having sold all they have to offer and to the inability to secure sufficient ocean freight from Gulf ports."

New Zealand Embargo

An editorial in Pacific Rural Press of September 20 says: "Some influential Government official should be delegated to make a visit to New Zealand. The right man could easily explain to the New Zealand authorities that the embargo recently placed against California products is entirely unnecessary. On July 30 an order was made prohibiting the importation of all agricultural products from Pacific Coast States, except dried and canned fruits. This order was presumably made as a protective measure against foot and mouth disease. With the disease virtually under control in isolated places there is no possible danger. New Zealanders are reasonable people and if the facts were presented to them properly, which perhaps can only be done by a personal visit, the embargo would be lifted and our citrus fruits, potatoes, apples and similar products that have been shipped to New Zealand in the past could again go forward. Other countries engaged in commerce with New Zealand, notably the South American countries, have had foot and mouth disease for years, but no embargoes have been placed on record against these countries. Our officials should leave nothing undone to restore the New Zealand market. We must not lose this satisfactory trade."

Northwest Conditions

The Journal of Commerce for September 29 says: "It has been evident since fairly early in the summer that conditions in that vague region known as the 'Northwest' were decidedly improving. Politically speaking, the state of things there was pretty serious during the spring, and from the time of the Republican convention onward party managers felt the greatest anxiety regarding the voters' attitude. They are still much more worried than they are willing to admit, but at all events they are not obliged to combat the economic discontent which, with good reason, has prevailed throughout the region. To-day conditions there are reported as far better."

Wool Sales

A Boston dispatch to the press of September 28 states that sales on the Boston wool market last week approached the dimensions of a boom. Virtually everything in the wool line was marked up and it stimulated activity among the speculators. They bought one day and sold the next at a profit. The manufacturer is less a factor than the speculator.

Section 3

MARKET QUOTATIONS.

Farm Products

September 30: - Average grain prices quoted September 30: No. 1 dark northern spring Minneapolis $1.40 to $1.60. No. 2 red winter wheat St. Louis $1.48 to $1.51. No. 4 red winter wheat Chicago $1.41 to $1.42 3/4; No. 2 hard winter wheat Chicago $1.41 to $1.42; St. Louis $1.39 to $1.40 1/2. No. 2 mixed corn Chicago $1.13 1/2; Minneapolis $1.04 1/2 to $1.05. No. 2 yellow corn Chicago $1.13 1/2 to $1.14 1/4; Minneapolis $1.07 to $1.07 1/2. No. 3 yellow corn Chicago $1.12 to $1.13 1/4; Minneapolis $1.06 to $1.06 1/2; St. Louis $1.11; No. 3 white oats Chicago 49 to 50¢; Minneapolis 45 3/4¢; St. Louis 49 1/2 to 50¢. No. 3 white corn Chicago $1.12 to $1.12 3/4; St. Louis $1.12 1/2 to $1.13.

Maine Irish Cobbler potatoes ranged $1.10 to $1.55 sacked per 100 pounds in eastern cities; 60¢ f.o.b. New York domestic type cabbage $10 to $16 bulk per ton in city markets; $7 to $8 f.o.b. Rochester. New York and midwestern yellow varieties of onions mostly $1.50 to $2 sacked per 100 pounds in leading markets; $1.35 to $1.65 f.o.b. Elberta peaches from New York sold generally at $2 to $2.50 per vushel basket in consuming centers; $1.65 to $1.75 f.o.b. New York apples, Wealthys ranged $1.25 to $1.50 per bushel basket in eastern cities; $1.35 f.o.b. Illinois Jonathans $6 to $6.50 per barrel in Chicago. New York Golden Self-blanching celery $1.50 to $2.50 per 2/3 crate in eastern markets.

Chicago hog prices closed at $10.90 for the top; bulk of sales $9.45 to $10.75; medium and good beef steers $7.10 to $10.85; butcher cows and heifers $3.35 to $10.75; feeder steers $5 to $7.85; light and medium weight veal calves $10 to $12.50; fat lambs $11.75 to $13.50; feeding lambs $11 to $13.25; yearlings $7.75 to $10.25 and fat ewes $3.50 to $6.75.

Spot cotton down 22 points, closing at 24.35¢ per lb. New York October future contracts declined 30 points, closing at 25.50¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Sept. 30,	Sept. 29,	Sept. 29, 1923
20 Industrials	103.16	102.96	87.39
20 R.R. stocks	90.20	89.99	78.33

(Wall St. Jour., Oct. 1)

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Vol. XV, no. 2 Section 1 October 2, 1924

Fur Trade Conference — The press to-day states that Canadian, English and American fur traders and other representatives of the raw fur industry met at Washington October 1 for a three-day conference, in an endeavor to insure a future supply of furs through protection by proper legislation and stricter enforcement of laws. The meeting, which is the first international conference in the history of the industry, was called at the instance of the National Association of the Fur Industry. The available supply of raw furs, it is believed by members of the conference, can be materially increased through proper legislation. The trade was said to be anxious to stop trapping of unprime skins, to bring about standardization of grading so as to eliminate unfair practices between traders and trappers, prevent indiscriminate draining of swamps and lowlands, and to promote the preservation of forests.

Wool Rates — The Interstate Commerce Commission has held as justified the proposal of certain carriers to increase the classification ratings on wool in the grease, washed or unwashed, not scoured, when compressed to a density of not less than 19 pounds per cubit foot, when shipped between points in New England territory. (Press, Oct. 1)

Wheat From Egyptian Tombs — An editorial in to-day's Philadelphia Ledger says: "One of the famous old farm fakes may be coming back again. Out in the great open spaces, so runs the tale, a farmer has grown a wonderful wheat crop from seed alleged to have been found in an Egyptian tomb. Maybe so. Yet the United States Department of Agricultue has had much experience with such claims. About once in so many years so-called 'miracle wheat' or'Egyptian wheat' or 'Jerusalem wheat' makes an appearance. Great claims then are made for this 'new grain.' Usually it is represented as having been taken from some old tomb in Jerusalem or the Holy Land. Some visitor is supposed to have brought it home and, accidentally or purposely, scattered a few grains of it, with surprising results in the way of yield. As a rule, it is found to be very ordinary grain, with less than average, or no more than average, powers of yield. Meanwhile, some enterprising citizen usually does very well in the business of distributing the seed. Down in Washington the agricultural experts will be interested in this revival of what to them is a familiar story."

Grain Exports — Exports of grain from the United States last week totaled 9,729,000 bushels, against 11,073,000 bushels for the previous week. Detailed figures for the week as compared with the previous week, made public Sept. 30 by the Commerce Department, follow: Wheat, 5,772,000 bushels, against 7,752,000; corn, 155,000, against 91,000; oats,330,000, against 38,000; rye, 3,067,000, against 2,825,000; barley, 405,000, against 367,000. United States and Canadian wheat flour in transit, 467,000 barrels, against 423,000 barrels. (Press, Sept. 30)

Section 2

Agricultural Education

Kenyon L. Butterfield, president of the Michigan College of Agriculture, is the author of an article entitled "The New Job of the Farm College," in The Country Gentlemen for October 4. He says in part: "To-day the land-grant colleges of America constitute the most stupendous series of educational institutions ever set in operation. ... In general our agricultural courses have become too technical. ... But what should the agricultural college do for the boy who is going back to the farm after graduation? No amount of meditation wholly within college walls or of purely academic considerations will give the right answer to that most important of questions. We must first go to the farm community, find out the vital problems of community life and devise a general community program which will meet those problems. Then we must work out a county, State and national agricultural program. Then, and not until then, will we be in position to say what kind of training will best fit a boy to play an effective part in the life of the community. In other words, our guide in determining what kind of an education to give the boy should be the boy's prospective place in the social structure of his community, and not mere academic considerations. ... The land-grant colleges have succeeded better than any other institutions in welding education intimately with life. In my opinion these colleges will become the leaders in adult education, in the continuous lifelong education of the community and all its numbers. Vital, common problems may thus be brought before a continuous community forum, where by means of study clubs and discussion groups a more homogeneous community spirit may be fostered."

Agriculture

Walter W. Head, president of the American Bankers Association, in his opening address at the Chicago convention September 30, said: "Advanced prices for farm products have brought, for the first time since 1920, a promise of renewed agricultural prosperity, with resultant restoration of the purchasing power of those engaged in agriculture and consequent revival of other industry. The cash value of the principal farm products -- other than live stock -- appears likely to be $700,000,000 greater in 1924 than in 1923. Meanwhile, a downward trend of other commodity prices has reduced the disparity between the prices of farm products and the general price level during each month of 1924, compared with the corresponding month of 1923, although the restoration of the prewar price ratio is not yet in prospect. Bankers have helped to solve the various problems of individual farmers and of the agricultural industry as a whole. Bankers have assisted in establishing farm produce exchanges, in introducing accurate farm accounting methods, in raising the standard of beef and dairy herds. The American Bankers Association, through its agricultural commission, has studied the causes of the recent depression and has formulated plans to improve standards of cultivation, to encourage diversification and to improve marketing methods. These activities have borne fruit, activities which have been approved and applauded by farmers, by farm organizations, and by agricultural experts. The American Bankers Association believes that the causes of the agricultural crisis were predominantly economic and that the remedy lay in the application of sound economic principles rather than in the pursuit of political panaceas. I would not for a moment --

and do not -- condemn all legislation which may be proposed for the relief of agriculture. Political action has its proper sphere, but its efficacy is limited to the removal of artificial obstacles which interfere with the normal functioning of economic principles. Legislation may help to keep open the avenues through which economic law is free to operate, but it can not do more." (Press, Oct. 1)

Agriculture and Prosperity

An editorial in The Journal of Commerce for October 1 says: "Renewed reports from Washington to the effect that officials there are counting upon a very substantial wave of prosperity as the result of increased purchasing power on the part of the farmer render it in order once more to call attention to some facts in this situation which are in danger of being overlooked. Without doubt the greatly reduced purchasing power of the rural districts have had a good deal to do with some of the difficulties experienced in the past year or two by our manufacturers. It is equally certain that to the extent that our farmers are able to get better prices for normal-sized crops they will be in a situation to buy more freely of the output of our factories. Except for wheat, the price of which is largely determined at the present moment by conditions prevailing outside of this country, the unit value of agricultural commodities now obtaining results from what is thought to be the prospects of rather short crops here. It is possible that evenly-distributed, moderately-reduced crops on our own farms will, by enhancing prices, aid the farmer to an appreciable degree. Let it not be supposed, however, that the farmer can in the nature of the case obtain full benefit from price increases which are due to shortages in the amount of goods he will have to sell."

Bakery Earnings

A New York dispatch to the press to-day states that George B. Smith, chairman of the United Bakeries Corporation, says in connection with the mailing of checks for preferred dividends: "Sales of all companies, owned or controlled, for the calendar year to September 13, 1924, show an increase of 26 per cent. Our operating profit, before income tax, but after depreciation and interest charges for the same period, is slightly in excess of $2,700,000."

Baking Industry

Referring to the recent convention of the American Bakers' Association at Atlantic City, Modern Miller for September 27 says: "The bakers of America have made enormous strides in recent years in the development of the baking industry. In commercializing and financing, baking has taken a definite position as 'big business.' The shop bakery is no longer typical. Big aggregations of capital have developed the financial and commercial status of bakers in a striking manner. The manufacturers of bread, some think, have gone forward faster than the manufacturers of flour. There is a vigor of mind and a scope for opportunity in the baking industry which indicates one of the biggest commercial developments to-day. Every ten years we add 20,000,000 to 25,000,000 in population, 60 per cent of whom are consumers of baker's bread. The force of the baking industry is being concentrated. Numbers are wholly misleading. ... Three hundred commercial bakeries and corporations make 80 per cent of the bakery

products, in the opinion of a bakery organization secretary. Several thousand bakers represent the potential industry. The community millers and the corner bakers are certainly not the potential factors of a few decades ago. At Atlantic City, the status of baking was impressively shown as developjng through science and financing. The institute of baking, the keen commercial mind and financing mark the statu of an industry whose development since the war has been as rapid as any business in the country."

Farm Relief

Henry Adams Bellows, writing in the Forum, says that the problem of farm relief can be solved only by the farmers themselves. They must learn to get as much out of their land as it is capable of producing, and they must learn to be business men. Specifically, the wheat farmer must cease trying to make a living out of raising eight or nine bushels of wheat to the acre from land that successive years o wheat cropping have robbed of its fertility. At any price there is no profit in the nine-bushel wheat farm -- and the average wheat yield per acre in North Dakota in 1923 was 7.1 bushels! In western Canada in 1923 the average wheat yield was 22.1 bushels to the acre. Virgin soil, yes; but in France, where every available foot of ground has bee made to bear crops for centuries, the wheat yield per acre in 1923 was 21.3. Eight bushels of wheat to the acre at $1 a bushel means a gross return hardly more than enough to pay interest on the purchase price of $100 land; twenty bushels an acre, at the same price, yield a fair profit above all expenses. No law can make the farmer rotate his crops so as to increase his yields to a point where they earn money fo him, but the iron rule of economic necessity, supported by education, is actually accomplishing it. Wise farming methods, of themselves, ar not enough; the farmer must learn not only to raise crops, but to market them. He will never really do this until he stops depending on special legislation, and makes up his mind to depend on himself. At present he assumes that the machinery of grain marketing is essentially faulty, and he is now seeking to construct a new marketing system of his own." (Wash. Post, Oct. 1)

Grain Marketing Company

The Journal of Commerce for October 1 says: "Results obtained by the Federal Trade Commission in its inquiry into the margins and profits of terminal grain middlemen, about to be instituted, will determine the action of the Illinois Agricultural Association with respect to its relations with the newly organized Grain Marketing Association. It was at the request of this association that the commission agreed to continue its study of the grain industry and to bring up to date its figures on this particular subject. The data to be obtained will cover the last four crop years, a corps of expert accountants now being under orders to proceed to the principal grain markets. According to the Federal Trade Commission the basis of the request of the Illinois association is the desire of the farmers of the country to have the most recent information regarding the margins and profits of grain middlemen in terminal markets, especially in view of the movement for farmers' cooperative organizations in this business. The report on the original undertaking of the commission was rendered about a year ago. In dealing with the question of cooperative country elevators the commission declared that comparisons of the results for cooperative independent, and line elevators were favorable to the cooperative type in a number of important particulars."

Northwest Conditions

The Journal of Commerce for September 29 says: " ... It is worth while to note the factors that have contributed to the decided improvement in the Northwest. First of all, there has been a general 'cleaning up' or 'weeding out' that has been going on for a couple of years. The most striking incident in the process was the failure of several hundred banks, most of them in the Northwest, and most of them overburdened with heavy commitments in speculative paper based upon exorbitant values of farm land. There has been a great deal of general readjustment and reform that has not shown in quite so spectacular a way upon the surface. Altogether the foundation had been laid for a new business structure, although unfortunately at the usual price of severe loss and sufering. Within the past year or two, moreover, there has been urgent effort to get a change in the crop policy of some of the Northwestern States. A good many wheat farmers, for instance, have been induced to put in flaxseed with corresponding benefit to themselves. Other similar modifications have been introduced, while nature in other lands was less generous this spring than heretofore in assuring good yields on acreage actually planted to wheat. As a result there has been a very decided and welcome advance in the price of the cereal, accompanied by somewhat similar advance in other grains, both there and elsewhere. Add to this the fact that with a good many regrettable changes in ownership there has come a new basis of land values or 'recapitalization,' and it is not strange that many farms which were formerly in difficulties are now 'profitable.' In this view of the case it is gratifying and quite in line with natural expectation to find that there has been a restoration of country banking liquidity and that deposits in some of the centers, particularly in Minneapolis, are growing. Bank commitments are being retired at a rapid rate and applications for 'aid' of the kind that were so numerous a few months ago have disappeared. The Northwest, in short, is well on its way, judging from present appearances, to a new condition of normal prosperity."

Reclamation

An editorial in The New York Times for October 1 says: "That President Coolidge takes the proper and long view of reclamation of arid lands is clear from his letter to the American Mining Congress made public September 30. To those who, like General Dawes, have expressed the belief that irrigation and reclamation projects merely increase agricultural competition, he replies that the work takes years to complete. He is thinking not so much of to-day, or of a temporary overproduction of certain farm products, as he is of the need of using to the full the available water power so that the Nation may have the benefit of greater hydro-electric development, and the people in the regions of the water-power sites may have a greater abundance of home products. The President mentions two reclamation projects, one in the Sacramento River Valley and the other embracing the entire problem of harnessing the Colorado River system. This latter, which affects the interests of seven States, has presented legal difficulties greater even than the engineering. ... Supposing the question to be satisfactorily settled, it will still be many years before the project is actually in operation. ... The actual construction alone will require many years. Some of the sites are in country which is almost inaccessible. It stands to reason, therefore, that there is little danger of increasing overproduction in the near future even if work be started on such

reclamation projects to-morrow. On the contrary, it is more than likely that these developments will hardly keep pace with the growth of the country. ..."

Section 3.

MARKET QUOTATIONS.

Farm Products

Oct. 1: - Grain prices: No. 1 dark northern spring Minneapolis $1.40 to $1.59. No. 2 red winter wheat St. Louis $1.46 to $1.52; Kansas City $1.43. No. 2 hard winter wheat Chicago $1.41 1/2 to $1.42; St. Louis $1.39 to $1.39 1/2; Kansas City $1.31 1/2 to $1.45. No. 2 yellow corn Chicago $1.13 to $1.14; Minneapolis $1.07 1/4 to $1.08 1/4; Kansas City $1.10/ No. 2 mixed corn Chicago $1.12 to $1.13; Minneapolis $1.05 1/4 to $1.05 3/4. No. 3 yellow corn Chicago $1.12 to $1.13; Minneapolis $1.06 1/4 to $1.06 3/4. St, Louis $1.11. No. 2 white corn Kansas City $1.08. No. 3 white corn Chicago $1.11 1/2 to $1.12 1/4; St. Louis $1.11 to $1.12. No. 3 white oats Chicago 49 3/4 to 52¢; Minneapolis 47 5/8¢; St. Louis 50 1/2 to 52 1/2¢. No. 2 white oats Kansas City 51 to 52¢.

Closing wholesale prices on 92 score butter: New York 38 1/2¢; Chicago 36¢; Boston 38¢; Philadelphia 39 1/4¢.

Eastern potatoes nearly steady, northern stock slightly stronger in Chicago. Long Island Cobblers and Green Mountains $1.45 to $1.55 in New York. New York and midwestern yellow varieties of onions mostly $1.50 to $2 sacked per 100 pounds in consuming centers; $1.40 f.o.b. Benton Harbor, Mich. Cabbage advanced sharply in New York, nearly steady elsewhere. New York Elberta peaches generally lower at $2 to $2.75 per bushel basket in leading markets mostly $1.75 f.o.b. Apple markets nearly steady. Illinois Jonathans $6.50 to $7 per barrel in Chicago.

Chicago hog prices closed at $11 for the top and $9.50 to $10.80 for the bulk. Medium and good beef steers $7.25 to $11.15; butcher cows and heifers $3.35 to $11; feeder steers $5 to $8.25; light and medium weight veal calves $10.25 to $12.75 and fat lambs $12 to $13.75.

Spot cotton up 25 points, closing at 24.60¢ per lb. New York October future contracts up 17 points closing at 25.67¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Oct.1,	Sept.30,	Oct.1,1923
20 Industrials	104.08	103.16	88.06
20 R.R. stocks	90.28	90.20	78.83

(Wall St. Jour., Oct. 2)

DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XV, no. 3 Section 1 October 3, 1924

Meyer Reports a Billion Dollars for Wheat Growers

The wheat crop this year will return to American growers about one billion dollars in cash at country points, Managing Director Meyer, of the War Finance Corporation, told Secretary Mellon yesterday. His statement was on the basis of an investigation in the wheat-producing areas. In a memorandum to the Treasury head, Mr. Meyer declared also that railroad transportation was handling the crop in a manner "almost without precedent." The memorandum said: "In view of the unusually rapid flow of wheat to market, I have had an informal investigation made in the West of the adequacy of the machinery for handling the marketing of the crop. I am glad to be able to say that the reports are most optimistic and that, in fact, the railroad transportation seems to be adequate to the task and virtually no substantial car shortages are reported."

Senator Dial on Chicago Cotton Trading

The Press to-day states that Senator Dial of South Carolina announced yesterday he would try to stop the proposal of the Chicago Board of Trade to deal in cotton futures for delivery at Galveston or Houston on the ground that it would demoralize the market. Beginning of trading is set for October 10. Senator Dial has lodged a protest with the Department of Agriculture on the ground that such delivery would be illegal, and requested that the department, under the Cotton Futures act, refuse to sanction the rules of the exchange. Should the law be construed to permit this delivery, the Senator asserted he would attempt to have the law amended to prevent it. The place of delivery affects the price of a contract, Senator Dial said, and if cotton sold on the Cotton Exchange can be delivered in Texas that price would act as a standard to affect the price of cotton at any point in the United States. He declared this would mean a lower price and the loss of millions of dollars by the farmers. The South Carolina Senator said he hoped the department would require cotton traded in on the Chicago Exchange to be delivered in Chicago.

New York Wins on Cattle

A Milwaukee dispatch to the press to-day states that Jersey cattle-judging was the chief event on yesterday's program at the National Dairy Exposition. New York State won the grand championship and senior championship awards in purebred Guernsey cow exhibit, capturing three firsts.

Farm Situation

The press to-day reports: "As the harvest season progresses the situation in the farming districts grows better. Not only are there good crops bringing high prices, but there is an evenness of distribution of high yields that is unusual, says the Industrial Digest. As a source of employment for labor and demand for industrial products, building and construction operations probably rank second to agriculture."

Section 2.

Bankers' Convention Report

The Philadelphia Ledger of October 2 reports the October 1 session of the American Bankers Association convention at Chicago as follows: "'There are many sound reasons for a cheerful view regarding existing general financial and economic conditions in the United States, and there is comparatively little in the present situation to create apprehension as to the future progress of trade and industry throughout the country.' This was the cheerful message given to the delegates by Francis H. Sisson, vice president Guaranty Trust Company, New York, in presenting the report of the committee on resolutions, of which he is chairman. 'Where some depression exists, as in the textile industries, it may fairly be regarded as essentially temporary and likely to give way presently to renewed activity,' the report continues. 'Financial conditions throughout the entire country are exceptionally strong. The total of savings deposits reported by banks was more than $20,000,000,000 June 30. Interest rates have reached an exceptionally low level, reflecting the plethora of available funds in the banks. ... In no period since the war has greater progress in the return to normal business conditions been made by industry, commerce and finance than during the past year. The economic structure as it now stands may be accepted by business men as constituting in the main the conditions under which they should expect to work for some time to come.'

"Resolutions adopted express the hope that the United States will be impressed with the need of participating officially in some of the foreign conferences which, it is believed, will determine the commercial complexion of the world for decades, and urge American financial interests to adopt a favorable attitude toward loans to Germany, 'in view of the importance to the whole world of the re-establishment of active production and consumption in all countries, which would be greatly stimulated by renewed prosperity in so important a nation as Germany.' In Expressing the sentiments of the convention on purely national affairs the association's members, by approving the committee report, believe that: The capitalistic system is responsible for the constantly increasing prosperity of the United States and, therefore, radical influences should be resisted. There is no more justification for Government paternalism for farmers than for any class of business men. The ever-growing burden of taxation, Federal, State and municipe is becoming a deterrent to the free development of trade and industry. For this reason a scientific taxation policy should be devised. ..."

Business and Farm Prices

In a review of business conditions, The Economist for September 27 says: "More by force of habit than otherwise the industrial and mercantile community is placing an extraordinary amount of faith in future business because of the improvement in farm prices. The affluence of the farming population, newly found though it be, comes in for more frequent citation than any other factor, unless it is the cheapness of money, as a reason for anticipating Nation-wide and abundant prosperity in the immediate future. It would be unusual indeed if the higher prices for grains, livestock and provisions did not have some beneficial effect on general business, and in fact that effect already is evident in reports from the territory west of the Mississippi River. Five railroads in this territory, which is essentially agricultural, reported for the first seventeen days in September aggregate freight

loadings of 497,500 cars, an increase of nearly ten per cent more than in August, and of 3.6 per cent more than in the same period last year. This is a proof that farmers are shipping their produce to market as rapidly as possible, and it means that some of the profits made on higher prices already have been spent and the money put into circulation. The most striking proof, however, of the salutary results of higher farm prices is the announcement that more than three dozen northwestern banks, closed by the collapse of agriculture four years ago, are reopening. The improvement in wheat prices has suddenly turned frozen credits into liquid cash, and the banks find themselves released from a state of bankruptcy overnight. But in spite of these very beneficial fruits of rising farm prices, it is thus far painfully evident that industrial and mercantile activities are so tardy in responding as to call into question the expressions of extreme optimism that were felt and heard only a few weeks ago. If the depression of this summer was the result of low farm prices in the previous months, business men can not be blamed for asking why the improvement in farm prices does not now bring a revival. And they are asking that question, but without finding any very satisfactory answer."

Butter Tariff Report

An editorial in The Dairy Record for September 24 says: "In view of widely circulated rumors to the effect that a recommendation to lower the tariff on butter had been made as a result of the findings of investigators for the Tariff Commission, the denial from Washington that any such report had been filed is particularly welcome at this time. We confess that we question the wisdom of any action to lower the tariff at this time for, as we pointed out editorially last winter when the movement was first launched, 'if the reaction is unfavorable, the industry will suffer rather than benefit,' but we doubt if any serious effort to lower the tariff will be attempted. The principal objection, as we see it, and as we pointed out at the time, is that there would not be a very great need for it with the recovery which we felt would take place in foreign buying power. Congressional representatives from other parts of the country have already shown bitterness toward what they are pleased to term the 'selfishness of northwest farmers,' and asking an increase in the butter tariff at a time when, instead of fighting the encroachment of foreign butter, certain interests are actually making plans to export butter, may not 'sit well' with those legislators. ..."

Canadian Wheat Pools

The Grain Growers' Guide (Winnipeg) for September 24 says: "The history of the Canadian wheat pools to date is a story of the greatest marketing effort ever made by farmers. ... The pooling system was in the atmosphere in this country for some time before it became an actuality. Now it is in operation in all three provinces, and upwards of 100,000,000 bushels of the 1924 wheat crop will be marketed by this method. The record of the Alberta pool in marketing 34,000,000 bushels of the 1923 wheat crop warranted the farmers of the other provinces in completing their organization. The three pools together now have sufficient volume of wheat under contract to demonstrate the economic value of the system. Approximately one-half of the exportable surplus of this year's crop marketed through one

channel must have a considerable effect in stabilizing the market. Now that the pools are operating in all three provinces the system is facing the supreme test. The pool boards have displayed wisdom in establishing one central selling agency, and maintaining the closest cooperation between the three pools in every way. Three pools selling their grain separately, and in actual competition with each other, could not have resulted in the maximum benefit to the farmers. The benefits from an orderly system of merchandizing wheat are only possible when a large volume is marketed through one agency. The prospects are at present that with the fluctuating market the pool managers have on their hands a problem of the first magnitude to decide how and when best to sell the pooled wheat. It has always been held that the pooling system is not designed to hold a large volume of wheat in order to force prices upwards, but rather to market it steadily throughout the entire year in order to stabilize the market and bring to the producer the best return that world conditions will permit. Capable management on the part of the heads of the pools and loyal support on the part of the farmers are the essentials to success. The men who marketed the Alberta pool wheat last year are in charge of the central selling agency this year, and the indications are that contract holders fully appreciate the necessity of fulfilling their contracts. Success in the marketing of wheat by the pooling system will undoubtedly be followed by the organization of pools for the marketing of other farm products."

Cooperative Plan Proposed by Hoover

A Milwaukee dispatch to the press of October 2 says: "In an address delivered here to-day on cooperative marketing before the American Dairy Federation, Secretary of Commerce Hoover proposed a plan to provide for more unity of control and more orderly shipment of these commodities. The secretary proposed the creation of a Federal Marketing Board, comprised of Cabinet officers, a majority of its members, however, to be ultimately chosen by the cooperatives which joined the plan and a minority from certain terminal marketing associations to be organized under the general plan. This board would provide a staff of men skilled in the organization and administration of cooperatives who could give skilled advice, and would have authority to establish standards of cooperation with producers and the Department of Agriculture, to cooperate with that department in amplifying inspection and certification and in the distribution of such market information as will lessen the chaos in shipments, and with the Department of Commerce in export questions. It would represent marketing problems before the Interstate Commerce Commission, the Federal Trade Commission, etc. The board should be authorized to grant Federal charters to cooperatives on certain minimum conditions. The cooperatives would adhere to standards and Federal inspection on interstate commerce, that would submit to periodic inspection and report on their accounts and financial methods. The board would be authorized to approve the formation of clearing houses for joint action in control of shipments between different cooperatives in a single commodity. ..."

Farm Movement

An editorial in Farm and Fireside for October, 1924, says: "Someone is always getting alarmed about farmers moving to town. This time it is the 'New Republic' which prints this statement: 'Naturally, it is the best stock that leaves the farm; if the process continues long the remaining farm stock will consist largely of culls.' To which Frank Foote, a Michigan farmer, replies that what the 'New Republic' says isn't so. He then tries to prove that the opposite is the case -- that it is the culls and the misfits who leave the farm for the city. Both are right and both are wrong, as is so often true of those who make broad generalizations. Some good farmers are leaving the farm, as they always have when farm profits are not very alluring. In some cases their places are being taken by lower grade men. However, in other cases it does a community good to get an injection of new blood. Family stocks tend to get run down when they inbreed and stay too long in one locality, people become narrow, hidebound, selfish, and unprogressive; and this is especially true in rural communities. A little competition with hard-working, ambitious, and public-spirited newcomers in an old, settled community often works wonders. Of course, this isn't an argument for a townward movement of farm people; neither is it a brief in favor of their staying on the land. People have to decide such things for themselves, and it about evens up in the end."

Reclamation

Referring to the proposed policy of spending money for irrigation and reclamation projects in the Far West, an editorial in The Rural New-Yorker for September 20 says: "There is no great need to-day for reclaiming these great tracts of land. If they are occupied and worked to the limit the result will simply be an immense addition to the supply of farm products. We are right now producing more than the Nation can properly distribute. For the past few years the chief cause for ruinously low prices has been an overproduction of food. At the same time thousands or millions of acres of good farm land in the Eastern States are abandoned or half worked because it does not pay to work them in competition with other land. In the face of these facts, what is the sense in any Government policy of spending money for bringing new land into cultivation? In no other business that one can think of would any such policy be considered. In manufacturing and every other line of business except farming the wise policy is to reduce operations in case of a surplus of goods. How far would the Government go if it were to encourage the building of new woolen factories at a time when no one could make clothes at a profit? We would call off the reclamation of these public lands until farm production is adjusted to consumption."

Sugar Tariff

The Journal of Commerce for October 2 says: "Current dispatches indicate that the President is still busily occupied, whenever he can find the time for it, investigating the investigation of the Tariff Commission having to do with the sugar situation. The latest reports are to the effect that the Chief Executive has called upon the Department of Agriculture for data on the sugar beet crop in this country. Apparently it is thought possible that in some manner the condition of that crop at the present time might be an

important consideration to be borne in mind in arriving at final conclusions with respect to the import duty on sugar from Cuba. It is not to be denied that the character of the work of the Tariff Commission in this matter invited the sort of treatment that the President is giving the final report of that body. Still it is a sorry plight that the whole idea of a flexible tariff has got itself into. ..."

Section 3.
MARKET QUOTATIONS.

Farm Products

Oct. 2: - Grain prices: No. 1 dark northern spring wheat Minneapolis $1.52 to $1.71. No. 2 red winter St. Louis $1.51 to $1.55; Kansas City $1.46 to $1.50. No. 2 hard winter Chicago $1.45 to $1.45 1/2; St. Louis $1.43; Kansas City $1.34 1/2 to $1.50. No.2 mixed corn Chicago $1.14 1/2; Minneapolis $1.07 1/2 to $1.07 3/4; Kansas City $1.08. No. 2 yellow corn Chicago $1.15 to $1.16; Minneapolis $1.09 3/4 to $1.10 3/4; Kansas City $1.11. No. 3 yellow corn Chicago $1.14 1/4 to $1.15; Minneapolis $1.08 3/4 to $1.09 3/4; St. Louis $1.13. No. 2 white corn Kansas City $1.09; No. 3 white corn Chicago $1.14 to $1.14 1/4; St. Louis $1.12 1/2 to $1.13. No.3 white oats Chicago 53 to 54¢; Minneapolis 50 3/4¢; St. Louis 53 to 54¢; Kansas City 55¢.

Closing wholesale prices on 92 score butter: New York 39¢; Chicago 37¢; Boston 38 1/2¢; Philadelphia 39 1/2¢.

Maine bulk Cobbler potatoes $1.20 to $1.25 per 100 pounds in New York; mostly 60¢ f.o.b. Presque Isle. New York and midwestern yellow varieties onions $1.50 to $2 sacked per 100 pounds in consuming centers; $1.25 to $1.60 f.o.b. Rochester, N.Y. New York domestic type cabbage $12 to $20 bulk per ton in leading markets; steady at $7 to $9 f.o.b. Rochester. New York Elberta peaches weakened slightly to $2 to $2.75 per bushel basket in city wholesale markets; $1.60 to $1.90 f.o.b. Rochester. Illinois Jonathan apples continued to bring $6.50 to $7 per barrel in Chicago.

Chicago hog prices closed at $11.15 for the top and $9.80 to $11 for the bulk. Medium and good beef steers $7.25 to $11.25; butcher cows and heifers at $3.25 to $11 and feeding steers $5 to $8.25.

Spot cotton up 80 points, closing at 25.38¢ per lb. New York October future contracts up 98 points closing at 26.65¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Oct.2,	Oct.1,	Oct.2, 1923.
20 Industrials	103.63	104.08	80.09
20 R.R. stocks	90.11	90.28	78.96

(Wall St. Jour., Oct. 3)

DAILY DIGEST

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Vol. XV, no. 4 Section 1 October 4, 1924.

The Agricultural Situation

An editorial in The Washington Post to-day says: "The farmers of the United States are collecting $1,000,000,000 in cash for their wheat. That is the information furnished to Secretary Mellon by Eugene Meyer, jr., managing director of the War Finance Corporation. Mr. Meyer and his associate on the corporation, Director Mondell, made a detailed study of the agricultural situation in the Northwest. The War Finance Corporation, through its intimate connection with over 4,000 banks in agricultural sections, possesses accurate and complete information regarding the condition of the farmers. Corroboration of this testimony is given by A. B. Genung, economic expert of the Department of Agriculture, who has just returned from the West after making an exhaustive study of conditions. 'Not in five years has the United States presented so nearly a picture of balanced prosperity as now,' is his report. 'The wheat belt is in infinitely better shape than for four years. Yields are splendid, the crop is of high quality, and prices improved just at harvest.' ... Wheat has reached $1.50 in Chicago. That fact destroys the argument that the Coolidge administration is responsible for the hard times of the last four years. Perhaps the foremost cause of distress among wheat farmers was the failure of small banks. ...

"The present administration went to the aid of the banks in farming regions as early as August, 1921. The War Finance Corporation was authorized to make loans for agricultural purposes through banks, livestock loan companies and cooperative marketing associations. Over $300,000,000 was soon put out through 4,300 banks, 100 livestock loan companies and 33 cooperative associations. This stabilized many small banks and carried them through the crisis. Farmers were enabled to borrow money or extend their loans at low interest rates. They were no longer compelled to dump their products upon a poor market. The effect upon prices was magical. Corn, wheat, hogs, cattle, tobacco, sheep, cotton and other staples gained in market price, and are still gaining. 'Go into the South this fall and you will be impressed with its prosperity,' reports Mr. Genung, the Government economic expert. 'Last year went a long way to wipe out the pressing burden of indebtedness. Another cotton crop bringing $1,500,000,000 cash, plus a fairly good season for truck crops, potatoes, rice and small fruits, will put the South in a very comfortable position. General sentiment throughout the region is distinctly optimistic.' ... The Coolidge plan has been to restore American prosperity -- to advance the interests of all Americans -- and to promote both production and consumption for Americans by Americans. In making better economic conditions in this country, the Government has performed most effective service for the world. ..."

Commenting upon, and quoting from, Mr. Genung's report on the agricultural situation, The Philadelphia Ledger to-day says: "Political hardtime howlers are out of luck. Just when they would like to howl the loudest in an effort to discredit President Coolidge, running for election, along comes old man prosperity busier than ever. With unemployment rapidly disappearing in the industrial East and Middle West, with good crops and high prices saying goodby to agricultural depression in the West and South, with business booming and railroads breaking previous freight records, the 'gloom stuff' doesn't go. An announcement by the Department of Agriculture, which is always conservative, quotes A.B. Genung, who is just back from a survey of conditions in all parts of the country, as saying 'Not in five years has the United States presented so nearly a picture of balanced prosperity as it does now.' ..."

Section 2

Agriculture

Daily National Live Stock Reporter for September 29 says: "'Cures for agriculture can not complain about lack of opportunity,' says the National Stockman and Farmer, a farm publication that has always maintained a friendly though sane attitude to the producer. 'They have been tried out in considerable quantity during the last few depressing years. Credit was hailed as a sovereign remedy. It was applied, and the favored farmers went bankrupt. The grain pit was denounced as the archenemy of the wheat grower. The packers were regulated, cooperative plans were tested, legislation was enacted to remedy affairs. Yet no miraculous prosperity appeared to the man who tilled the soil. Then the weather took a hand; the law of supply and demand continued to function. The result was advances in prices. This shows the trouble and suggests the remedy. Will the lesson be heeded? It is human nature to raise more wheat when wheat goes up and keep more hogs when hogs rise in price. Also it is impossible to control agricultural production with any degree of exactness; too many uncontrollable factors enter. However, it is possible to keep within reasonable bounds to refrain from "going in" to any one branch of farming too heavily at one time or 'going out' too quickly at another. Farming is a long-time job. The man who finds out the best system for his soil, markets and personality, and sticks to it, is the one who wins in the end.'"

Fruit Production

Increasing production of fresh and dried fruits in Pacific Coast States is presenting a problem of marketing, ... says E.G. Montgomery, chief of the food products division, Dept. of Commerce, who is conferring with executives of chambers of commerce in the chief cities of Washington, Oregon and California. "Five years ago the Pacific Coast States shipped 150,000 cars of perishable fruits to outside markets, while for the current year the output will be more than 350,000 cars," he says. "This rapid increase went into consumption and was accompanied by much grief because of the low prices received by producers. They still are confronted with problems and with increasing production there is urgent need of cooperative marketing to take care of an expanding surplus. There is need for increasing consumption. The problem is so large it involves producers, bankers, transportation men and all who are interested in the public welfare."

Homestead Law

The Rocky Mountain Husbandman for September 25 says: "The passage of the 320 acre homestead law was the greatest calamity that ever befell the great Northwest. It was a calamity to the older States. In the old days Uncle Sam was rich enough to give us all a farm but now this is not the case. The man who wants a free home must now go to Alaska to get it. The 320 acre homestead law made home seeking a speculative stunt rather than a home seeking trek to the great West. It has resulted in putting the public domain into the hands of the mortgage and loan companies. The young men of the older States can not now go West and get a home for the taking. He must now buy what he gets and we can not interest the young men and women of the older States as we once did. The recent years of calamity howling has taught the people that the home builder needs water. The man

that forsakes the humid middle States and takes up a home in the arid West will make no mistake if he gets land that can be supplied with irrigation. The irrigated home is something that any man can rely on It takes the hazard out of farm life. We tried to tell our people this when they started the dry land boom. ... The State is going to invite settlement again. This is all right if they tell the settler the truth. Montana is destined to outstrip any State in the Union for these many reasons. The climate is superb, the soil is rich and produces ponderous crops when it is wet enough and the irrigated acre is a guarantee that Montana is famine proof, that the storehouses will always be full and the people prosperous and happy. We came here 50 years ago and we know."

Loans on Real Estate

The proportion of its loanable funds a national bank should lend upon real estate security was discussed before the national bank division, American Bankers Association, at the Chicago convention October 2 by Thomas M. Steele, president of the First National Bank, New Haven, Conn. He said that to attempt to get any help from the statutes of the various States which have legislated on the subject is utterly futile. ... In Connecticut, a State bank may loan on real estate as much as it pleases and regardless of prior liens. The only restriction is that set up by its loaning officers. In Minnesota, where the need for real estate loans in rural communities must be far greater, a commercial bank can loan no more than 25 per cent of its capital and surplus utterly regardless of the amount of its deposits. In Pennsylvania a State bank may loan on first mortgages on real estat up to the total amount of its time deposits plus 25 per cent of its capital and surplus and undivided profits; while in New York State a State commercial bank may not loan directly upon real estate at all. In Missouri, State banks are permitted to loan as much as they please on first mortgage security; while in Georgia 25 per cent of capital and surplus is the limit and the State banking department discourages the making of any such loans. In Wisconsin it is prohibited any State bank from making loans secured on property outside of the State whereas in Rhode Island the law permits savings banks and trust companies to loan not exceeding 70 per cent of their savings deposits on real estate security but provides that not more than 30 per cent of this authorized amount shall be on Rhode Island real estate."

Meat Trade

Institute of American Meat Packers says: "A marked decrease in receipts of hogs at leading markets, with a consequent shortening of the fresh pork supply and a slight strengthening of prices, characterized the meat trade during the month just closed. Even though the price of hogs at Chicago remained well above $9 per 100 pounds during the month, an advance of about $1 as compared with September of last year, consumers should find plenty of unusual meat bargains still available. ... The beef and lamb trade was not altogether satisfactory. Following heavy receipts after the first week of the month, the market for the dressed products weakened, especially in the case of lamb. Hide prices increased somewhat. In the export field, the demand for American pork products during September showed some improvement over the trade during previous months. The trade with England was much better at the end of the month than at the beginning. Trade with the continent was fair, with lard and fat backs most in demand."

Packers and Hog Market

The St. Louis Daily Livestock for September 26 says: "The vigorous manner in which the big packers fight the hog market every time it begins to bulge upward above the $10 mark is causing general comment among the trade. It is apparent that the opulent boys who salt down most of the provision stocks during the periods of heavy runs do not want the market to get from under their control and especially at this time. Meanwhile the hog receipts continue to run lighter in volume at the chief western markets, cooler provision stocks are steadily dwindling and corn prices stay at a level that make heavy feeding of swine unprofitable on present market basis. It is interesting to note that according to official Government figures total storage holdings of pork and lard in the United States on September 1 this year aggregated 869,000,000 pounds against 960,000,000 pounds on August 1, showing a decrease in reserve stocks for the month amounting to almost a hundred million pounds. This is whittling down the cooler stocks of pork products fast enough to please even the most bullish. The lowly porker year in and year out is one of the best money makers that the western farmer possesses and he hasn't outlived his usefulness as a 'dough' producer."

Potash Prices

An editorial in The American Fertilizer for September 20 says: "The new potash prices will be satisfactory to the fertilizer trade, and no doubt to other users of potash as well. The figures are substantially lower than prewar quotations. The new arrangement of discounts is workable, and will end the re-selling which was a feature of the market under the former system. The French allotment is unexpectedly large, and indicates how energetically they have handled the potash business, since obtaining possession of the Alsatian mines. The agreement proves that the Germans fear the enlarged scope of the Alsatian industry, and that the day is gone forever when potash prices could be fixed in Berlin. The term of the agreement -- three years -- is not long, but world conditions should improve in that time, and no one but a pessimist will worry now about what may happen then."

Sugar Tariff

An editorial in The Wisconsin Agriculturist for September 27 says: "Charles H. Allen, president of the Farmers' Sugar Company of Defiance, Ohio, and who heads 1,200 Ohio farmers who are building their own beet sugar factory on a cooperative basis, was the speaker before a recent joint meeting of Kiwanis clubs of three Ohio cities, on which occasion he discussed sugar beets and the tariff on sugar. Mr. Allen told the Kiwanians that the present tariff on sugar is none too high for the protection of the American farmer against the black labor and cheap living conditions of foreign countries. He said the Cuban sugar interests want the tariff still further reduced, so they can in turn cut the price of sugar so low during three months when domestic sugar is on the market, that the American farmer will be forced out of the sugar business. Then, with no competition, the trust could boost the price as high as they pleased. The speaker branded as a myth the idea that governmental protection or stimulation of the American sugar crop or tariff raises the price of sugar. He said that sugar is always lowest in price at the time the beet sugar crop is going on the market in competition with imported sugar from Cuba. ..."

Tariff and Cuba

Manufacturers Record for October 2 says: "Earl D. Babst, president of the American Sugar Refining Company, in a recent article published in the Illinois Merchants' Review, gives some information in regard to the magnitude of the property owned by that company in Cuba. On that point he says: 'Our Cuban plantations, 60 miles in length and approximately 350,000 acres in extent -- despite the fact that they have not been in existence a decade and that less than one-third of their acreage has been cleared as yet for cultivation -- have 165 miles of railroad, fully equipped with a modern telephonic dispatch system; seventeen 75-ton freight locomotives and more than 600 freight cars with a capacity of thirty tons. It requires a private railroad system such as this to supply the 1,450,000 tons of cane that the hungry maws of our two huge centrals demand in a season. They must have more than 6½ tons of sugar cane every sixty seconds, night and day, day in and day out, week in and week out, for five months of the year. About 160,000 tons of raw sugar are turned out annually, 44-1/3 tons every hour.' The American Sugar Refining Company is only one of the great refiners, of which there are sixteen in this country, most of them owning large sugar plantations in Cuba. Producing an enormous quantity of sugar which they refine in their American refineries, it is not to be wondered at that from the purely selfish point of view they should seek to break down the tariff on sugar for the express purpose of enlarging their own profits. These companies have a system of buying sugar from their Cuban plantations, and shipping it to their refineries in this country, and if the duty was lowered or taken off entirely, destroying our sugar-producing interests, they could without the slightest difficulty advance the price which they pay to themselves as Cuban sugar owners, and thus entirely offset any reduction in the tariff. The only competition which keeps them from doing this is the sugar produced in Louisiana and Texas and Florida and by the beet-sugar interests. ..."

Wool Trade

A Boston dispatch to the press of October 3 says: "The Boston wool market is doing a really large business. Its foreign trade, the reshipment of wool to take advantage of the price advances on the foreign market since the wool was imported, has been a big factor recently, the exports this week alone amounting to close to 1,000,000 pounds to London and Liverpool. Total exports for the year are 17,681,000 pounds and of this amount 4,297,000 pounds were shipped in September alone. Receipts also were very heavy this week, 6,293,200 pounds as against 1,197,000 pounds the previous week and the volume of wool sent out of Boston over the railroads totaled 3,333,000 pounds which is a higher level than has been maintained for some time. The total business of the year is 20,000,000 pounds ahead of last year for the same months. The turnover in the market is heavy but it is resulting in the building up of a supply. Some heavy deliveries were made this week on orders that were executed several weeks ago when the wool prices were low. There is less speculation than there was a week ago, which reflects a market opinion that prices are close to the top."

Section 3
MARKET QUOTATIONS

Farm Products

Oct. 3: - Maine bulk Irish Cobbler potatoes $1.10 to $1.25 per 100 pounds in New York; mostly around 60¢ f.o.b. Presque Isle, Me. New Jersey sacked cobblers $1.35 to $1.50 in Philadelphia and Baltimore. Eastern Shore Virginia yellow varieties of sweet potatoes weakened to $4 to $4.75 per barrel for best stock. New Jersey yellows firm at $2 to $2.25 per bushel hamper. Barrels of New York Wealthy apples sold firm at $5 to $5.50 in New York; while bushel basket stock weakened to $1.35 to $1.50 in leading eastern cities, firm at $1.35 to $1.40 f.o.b. Elberta peaches from New York slightly weaker at $2 to $2.50 per bushel basket in consuming centers; $1.65 to $1.85 f/o.b.

Chicago hog prices closed at $11.35 for the top and $10 to $11.15 for the bulk. Medium and good beef steers $7.25 to $11.25; butcher cows and heifers $3.25 to $11; feeder steers $5 to $8.25 and light and medium weight veal calves $10.25 to $13; fat lambs $12.25 to $13.85 and feeding lambs $11 to $13.25; and yearlings $8.25 to $10.75.

Closing prices on 92 score butter: New York 39¢; Chicago 37 1/2¢; Boston 38 1/2¢; Philadelphia 39 3/4¢.

Grain prices quoted October 3: No. 2 red winter wheat Chicago $1.51 to $1.52; St. Louis $1.52 to $1.58 1/2; Kansas City $1.49 to $1.52. No. 2 hard winter wheat Chicago $1.46 to $1.47; St. Louis $1.44; Kansas City $1.37 to $1.46 1/2. No. 2 mixed corn Chicago $1.14 3/4 to $1.16 1/2; Kansas City $1.06. No. 2 yellow corn Chicago $1.14 1/2 to $1.17. Kansas City $1.10. No. 3 yellow corn Chicago $1.13 1/2 to $1.16 1/2; St. Louis $1.14. No. 2 white corn Kansas City $1.09. No. 3 white corn Chicago $1.13 1/4 to $1.15; St. Louis $1.14. No. 3 white oats Chicago 53 3/4 to 55 1/2¢; Kansas City 54¢; St. Louis 54 to 54 1/2¢.

Spot cotton up 16 points during the week, closing at 24.66¢ per lb. New York October future contracts up 20 points, closing at 25.95¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Oct. 3,	Oct. 2,	Oct. 3, 1923
20 Industrials	102.64	103.63	90.45
20 R.R. stocks	88.97	90.11	80.13

(Wall St. Jour., Oct. 4.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XV, no. 5 Section 1 October 6, 1924

Wheat Marketing in Kansas

An Abilene, Kans., dispatch to the press of October 6 says: "The bulge in wheat prices last week, sending the figure to as high as $1.23 in the wheat belt, did not produce any great rush to market. Producers evidently think there are yet higher figures to come and pressing debts have already been taken care of by the first selling movement. The result of the crop income has been evident in much easier feeling financially, but has not yet materially increased trade."

Forestry in Columbia University

Columbia University students will use Central Park and the New York Botanical Gardens as laboratories for the study of reforestation and tree conservation, it was announced yesterday by Hugh Findlay, assistant professor of agriculture, who will direct the work, scheduled to begin Oct. 16. (N.Y. Times, Oct. 6)

Grain Crops and Sterling

A London dispatch to the press to-day says: "Concerning the future of sterling, this market recognizes that a check to improvement is being administered by our grain purchases, which may have greater effect later on than now. Another factor which has recently entered into the situation, and which was not reckoned with a little while ago, when hopes were being built of steady improvement in sterling, was the diversion in recent weeks of practically all South African gold to England."

Trade with South Africa Sought

The New York Times to-day states that A. H. Tatlow, of the South Africa Railways and Harbors Bureau, Johannesburg, who arrived in New York last Tuesday from Cape Town, said yesterday that he had been sent by the Government of the Union of South Africa to interest Americans in that country. He was also going to make inquiries, he said, as to the advisability of appointing a Trades Commissioner for the Union of South Africa to the United States. "What we want to do," Mr. Tatlow said, "is to get Americans to visit South Africa. They travel to India, Egypt, China, Japan and Australia, but we do not see many of them in our country."

Japanese and Mexican Timber

A Mexico City dispatch to the press of October 5 states that a group of Japanese investors headed by Baron Motto are looking over hardwood properties in the Tehuantepec region. The Japanese expect to get a contract for cutting the hardwood and its shipment to Japan, and then to plant the cleared land with bananas, cocoa and other tropical fruits. The plans contemplate bringing in Japanese labor to work the timber land and do the fruit planting. ... The Mexican Government is treating with the Japanese Government for a new treaty of peace and commerce between the countries."

Section 2

Agriculture

An editorial in The New York Times for October 4 says: "Eugene Meyer, who needs no introduction to farmers, and who has exceptional sources of information, authorizes the statement that the farmers this year will realize a billion dollars from wheat alone. Banks, railways and ships are moving the crops with unsurpassed efficiency, Never before, he says, have the farmers realized on their harvest so easily. The economist of the Agricultural Department estimates that the cotton crop is worth $1,500,000,000. The entire farm condition is the best in five years, he adds, and the betterment increases as the period of comparison is lengthened. Thus the Farmers' Loan and Trust Company this week issues a statistical summary estimating the total of new wealth from the soil this year at $17,000,000,000, against $9,850,000,000 in 1913. No farmer in his senses would have dared to ask Congress to fix the price of wheat at over $1.50. If he could have been assured of this price, he would have asked nothing from either Providence or politics. He gets more than this in reality, since other values are increasing less than his Relatively the farmer has a gain in place of the loss which embittere him because he looked most at his own troubles. The farmers were never so badly off as they thought because they did not have the cash to pay their debts to the banks which failed by hundreds. The loss o a considerable part of a year's income was not fatal to any bank or any farmer not overtrading or trading unwisely. The technical situation of the farmer, as Wall Street might say, is strengthened by the crisis safely passed. The farmers are now marking up their inventories and their capital values just as they marked them down. Banks are resuming and millions of farmers are wearing the smile that won't come off."

Agriculture and Banking

Arthur Reynolds, president of the Chicago Continental & Commercial National Bank, spoke before the American Bankers Association at Chicago on a number of subjects more or less related to banking. He first touched upon agriculture. He pointed out that for four years the spread between the prices of agriculture and industrial products has focussed attention. "For a long time the increase in the production of agricultural commodities has been far more rapid than the increase in the number of fam workers," he said. "This is the result of better methods, more machinery, scientific education and finer understanding of the great business of farming. In this the bankers have been helpful. But the work must be carried much farther. In an industrial population of 10,000,000 we find some 700,000 managers--managers selected for performance under strong competitive conditions. In an agricultural population of 10,000,000 we find 6,000,000 managers, not selected but self-appointed, and with no rivalry or competition at all. The farmers have got to learn to be managers. Those who do not are destined to remain in the position of selling their labor in the form of products; they will be not farmers but laborers. We have farmers now who are laborers. It is this that makes the farm credit situation so difficult. On the theory that the farmer was inadequately supplied with credit facilities, efforts have been made to give credit facilities even to those farmers who are laborers. We have established farm land banks, joint stock land banks, intermediat

credit banks, cooperative credit associations; we have made availabl the resources of the War Finance Corporation and we have had special relief organizations. All have done business, but they have dealt only with solvent farmers. They can deal only with solvent farmers. Dealing with insolvent or even half solvent farmers has caused much of the trouble. The wrecks of the banks that tried it are strewn along the reefs. The losses have not been borne by the farmers alone; the banks have shared in them and shared heavily. As city population grows and the demand for food increases, the country will develop new agricultural problems. One, and a most important one, will be the determination of what crops shall be grown for the home market and what for export. Decision of this case will involve study of costs and markets, and may affect our tariff policy. I am not raising this question. It will raise itself. But perhaps we have listened in too far already! But we hear another term -- not entirel new and somewhat hackneyed -- cooperative marketing. I like the idea of cooperation, and some efficient and practical marketing methods are in use under the head of cooperative marketing. But we must take care. The term might be misleading. Under its cloak all sorts of cure-alls are frequently proposed. No one could object to the term so long as it proposes and provides adequate and economical marketing and efficient marketing machinery. That is a question of management, not managers, In discussing the long range tendencies, I can't see that it makes much difference who manages the marketing. But it makes a vast difference how it is managed." (Press, Oct. 2)

Butter Exports An editorial in Chicago Dairy Produce for September 30 says: "Some consolation to the butter interest is found in the fact that some butter is being exported. Fully 5,000 packages were started for England last week and more will follow if prices are favorable. That the English market can. in the next six or eight weeks absorb considerable butter is learned in a letter from a house with New York and London locations, the statement being made that London alone could take 10,000 to 15,000 packages weekly without being disturbed. The plan of forming a pool of manufacturers who will agree to furnish stated amounts for export the coming few weeks which precede the arrivals of new butter from Australia and New Zealand, may be carried out, and if it is will relieve a very acute situation though it will not be a profit winner for members of the pool on the butter exported."

Farmer's Dollar St. Louis Daily Live Stock Reporter for October 1 says: "Four years ago the exchange value or purchasing power of the farmer's dollar was something less than 70 cents. In August of this year increased prices of several major crops stimulated the value of the agricultural dollar and the Federal Department of Agriculture announced that it was worth 83 cents. With the noticeable decreases in the prices of nonagricultural goods and farm prices more than holding their own, Government officials to-day state that the purchasing power of the farmer's dollar is worth 90 cents. This upturn of 20 cents from the low point tells the story of agricultural improvement during the past 90 days. Doubtless the demagogue will tell the farmers that 'legislation' has brought about this bettered condition.

We do not believe, however, that the average farmer will fall for that sort of bunc. He is shrewd enough to know that it is due to the natural functioning of economic laws. They alone have given agriculture pronounced and definite relief in the form of higher prices and once again have taken agriculture out of the realm of politics and legislation. That any major legislative measure radica in nature will pass the coming Congress, or receive the support of the majority of farmers, is quite unlikely."

Farmer Taxes

Chicago Daily Drovers Journal for October 1 says: "Unless the rate of issue of State, county, city and town tax-exempt securities is curtailed the taxes necessary to pay interest and retire them wil bankrupt the farmers of this country, thinks Roger W. Babson, who says further: 'It might be well to "measure our cloth" before we for too many road districts and blindly sell bond issues which are to be a burden on our children and grandchildren. There is no sense in struggling and economizing to save money for our children with one hand, while we burden them with debt with the other.' He reminds us that 'debts can ruin communities as well as individuals,' and suggests that 'It is well enough to go into debt to a limited amount for certain things, but let us not mortgage our future just to suppl rich men with non-taxable bonds.' It has become very easy for the American people to vote tax-free bond issues -- too easy. A little more thoughtfulness in such matters, and a little more real economy in public expenditures, would be a good thing."

Grain Marketing Company

O. M. Kile, writing on the Grain Marketing Company, in The Nation's Business for October, says: " ... The first reaction from most farmers was to look for the colored gentleman in the woodpile. Some thought they saw a plot to thwart further agricultural legislation. Some still insist that it is only a scheme whereby the large grain operators are effecting under the Capper-Volstead cooperative marketing law a combination forbidden under the Sherman Anti-Trust act. Others are certain that the gullible farmer has been sold another gold brick in the form of high-priced and superfluous elevators and equipment. But all concerned -- both the former owners and the present officers -- have thrown their cards on the table and invited full inspection. Editors of farm papers, officers of farm organizations, marketing experts from the agricultural colleges and other agricultural leaders of note have been taken to Chicago and invited to ask pointed and personal questions. Some still think they can see the suggestion of a hoof or a horn showing here and there but by far the majority have come to the following minimum basis of support: First, that the farmer has nothing to lose by patronizing this grain-marketing agency, and he may gain materially. If he so desires he can limit his possible stock losses to $1. That sum will buy one share of common stock, which gives him a vote, and entitles him to patronage dividends. Second, that there is a good chance for moderate savings in handling costs, due to the usual economies that are commonly effected by consolidation. Third, that there are good and sufficient reasons why the grain companies desire to sell out and that Gray Silver, John Coverdale and the other farm

leaders who conducted the negotiations, have driven a very fair bargain with the former owners -- now the 'hired men' of the farmer board of directors -- can get no returns on their property until they earn it. Fourth, there is a possibility that as the company absorbs a larger and larger portion of the grain-handling business, it may have some influence upon the general price level. Chief criticism and opposition now comes from two sources -- the Chicago Board of Trade and the group of cooperatives headed by Aaron Sapiro. The Board of Trade is concerned with the possibilities of loss of commissions before the onslaught of the cooperatives working on a patronage dividend basis. The cooperatives insist, however, that they need and will help preserve the speculative market for hedging purposes. ..."

Harvester Company Asks Suit Dismissal

A St. Paul dispatch to the press of October 4 states that a petition to dismiss the Government's case against the International Harvester Company for alleged violation of the Sherman Anti-Trust act, was filed in the Federal Court October 3 by C. A. Severance, solicitor for the company, and other counsel for the firm. Hearing on the dismissal petition will be held at St. Paul on Monday before Judge Sanborn, presiding judge of the United States Circuit Court of Appeals, and two Federal district judges. The dismissal petition asks that the case be removed from the calendar for lack of prosecution, alleging that counsel for the Government have not submitted briefs in accordance with Judge Booth's order.

Prices

The Journal of Commerce for October 4 says: "One Government official is said to have reported to one of the Cabinet officers that the farmers would this year receive in cash about one billion dollars for their wheat alone. There appears to be little reason to doubt the accuracy of the estimate. Nor is there good cause to suppose that a marked increase in the purchasing power of the wheat growers will not result from the recent rise in prices. Furthermore, all this ought to have an appreciable effect upon the general business situation, to say nothing of the prospects of President Coolidge for re-election. But before we give ourselves entirely over to self-congratulation in the matter it would be well if we studied the situation with some care in order to determine the real cause of this improvement. It is due in large measure, of course, to the fact that crops in foreign countries have not turned out nearly so well as usual. The entire statistical position of the grain has thus been substantially altered. Meantime it may be well to ask if we shall permit the high prices now ruling to lead us to overproduce next year? The fates may not be so kind to us again."

Wool Values

The press of October 4 says: "The rapid climb of wool values, based on shortage in domestic stocks and high foreign markets, touched during the week a peak reached in the post-war boom of 1920. Dealers are showing signs of worry over future sources of supplies, as the recent high values and active demand have proved too attractive for the majority to resist. Sales have been restricted solely because of limited accumulation, as mills appear willing to pay any price for wanted grades."

Section 3
MARKET QUOTATIONS

Farm Products

For the week ended Oct. 4: - In eastern wholesale fresh meat markets beef and lamb are firm to $1 higher; mutton is $1 lower to $2 higher and pork loins firm to $3 up. October 4 prices good grade meats; beef $14 to $17; veal $19 to $21; lamb $19 to $22; mutton $12 to $14; light pork loins $27 to $30; heavy loins $18 to $20.

Eastern potatoes steady to firm; others unsettled. Maine bulk Irish Cobblers closed at $1.20 to $1.25 per 100 pounds in New York; 60¢ to 65¢ f.o.b. Presque Isle. New York domestic type cabbage advanced $8 to $10 in New York; steady to firm elsewhere, selling mostly at $10 to $20 bulk per ton in leading markets; $7 to $9 f.o.b. Rochester. New York and midwestern yellow varieties of onions range $1.25 to $2. sacked per 100 pounds in consuming centers; $1.35 to $1.50 f.o.b. New York Elberta peaches irregular at $2 to $2.50 per bushel basket for best stock; mostly $1.65 f.o.b. Barrels of New York Wealthy apples sold firm at $5 to $5.50 in New York; bushel basket stock weakened slightly at $1.35 to $1.60 in eastern cities, firm at $1.40 f.o.b. Rochester.

Grain market closed strong after exciting week. Wheat and rye made sensational advance to new high level on the big export sales and reports damaged European crops. Claims of drought and locust damage in Argentina helped wheat advance. Corn futures nervous and fluctuating, affected by strength in wheat. Oats up in sympathy with other grains. Demand for cash grain, especially corn, slightly less active at higher levels.

Butter markets firm and about 1 1/2¢ higher at the close. Closing wholesale prices 92 score: New York 39¢; Chicago 37 1/2¢; Boston 38 1/2¢; Philadelphia 39 3/4¢.

Cheese markets easy and unsettled to barely steady with trading quiet. Wholesale prices at Wisconsin primary markets October 3: Twins 19 3/4¢; Single Daisies 20 1/2¢; Longhorns 20¢; Square Prints 21 3/4¢.

Average price of Middling spot cotton in 10 designated spot markets advanced 10 points during the week closing at 25.10¢ per lb. New York October future contracts advanced 95 points, closing at 26.35¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Oct. 4,	Oct. 3,	Oct. 4, 1923
20 Industrials	102.85	102.64	89.93
20 R.R. stocks	88.90	88.97	80.00

(Wall St. Jour., Oct. 6)

DAILY DIGEST

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Vol. XV, no. 6 Section 1 October 7, 1924

Farmers Cancel Plea for Aid

A Chicago dispatch to the press to-day says: "The executive committee of the American Council of Agriculture, meeting at Chicago October 6, voted to withdraw its request to President Coolidge for the appointment of an agricultural commission by the Secretary of Agriculture. The committee named a subcommittee to draft legislation for presentation to the Congress which Chairman Frank Murphy said he hoped would insure an American price on exportable farm crops, independent of the world price, for the surplus. ... Bernard Baruch, New York financier and agriculture authority, in an address supported the principle of the McNary-Haugen bill."

N.Y. Cotton Exchange to Discuss Privileges

The New York Times to-day states that Edward E. Bartlett, jr., president of the New York Cotton Exchange, has called members to a special meeting to be held October 15 to express their views on the proposal to extend cotton delivery privileges to New Orleans, as recommended recently by the southern warehouse committee. Some members are understood to be opposed to the plan, while many others have not as yet formed an opinion.

Harvester Hearing Off

A St. Paul dispatch to the press to-day states that the hearing on the petition to dismiss the case against the International Harvester Company for alleged violation of the Sherman Anti-trust law, set for October 6, has been indefinitely postponed, it was announced in Federal Court.

Secretary Hoover on Radio Cooperation

Secretary of Commerce Hoover told representatives of every branch of the industry assembled yesterday at the opening session of the third National Radio Conference at Washington that the development of Nationwide broadcasting had now reached the stage where the possibilities and potentialities of radio intercommunication must be considered as a regular daily routine of the Nation. Experimental broadcasting upon a national scale during the past year had been brought to the point where "we know it can be done," Mr. Hoover declared. For accuracy and regularity of reception the local broadcasting stations could be depended upon, he said, but the local stations "must be able to deliver every important national event regularly." Unless national broadcasting could be systematically organized, Mr. Hoover said, it could not be expected to continue. After commenting upon the wonderful development of radio in the last four years, Secretary Hoover said that in a large sense the purpose of the conference was "to enable the listeners, the broadcasters, the manufacturers and the marine and other services to agree among themselves as to the manner in which radio activities are to be conducted." (Press, Oct. 7.)

Section 2

Agricultural Prosperity

Glenn Griswold, Chicago correspondent of the Philadelphia Ledger, in the issue for October 6 says: "How many of us, being asked to guess which of the forty-eight States in the Union would show the greatest gain in agricultural prosperity this crop year, would pick North Dakota? Probably many of us would be wrong, yet the percentage of increase in this year's actual cash farm return after interest and taxes in North Dakota will be more than 50 per cent greater than the gain of the next favored State, which again, to the surprise of most of us, is the State of Georgia. And the least favored of all the States in the relation of cash farming of this year as compared to last is North Carolina, which will show a decline of 21 per cent as compared to a gain of 47 per cent for Georgia and 75 per cent for North Dakota. The seasons played some queer pranks this year. Iowa and Illinois, generally conceded as sharing honors at the head of the list of farm States, each will report a gain of cash income this year of about 2 per cent. Minnesota, with a gain of 7 per cent, and Illinois with 2 per cent, are the only States touching the Great Lakes that will fail to show less income this year than last. These conclusions are taken from an analysis just completed by Howard Moorhouse and a map which visualizes the results of the study."

Agriculture 1

An editorial in The Nation's Business for October says: "Middle west agriculture has survived, and is convalescent. The area between the Mississippi River and the Rocky Mountains has secured 190,000,000 bushels more wheat -- its cash crop -- than last year, and yet the price rules twenty-five cents higher. A decrease of twelve per cent in sown wheat area was nullified by Nature, which still produced five per cent larger crop. Events discredit farm leadership which saw no relief to farm distress except shrinkage of sown area, higher tariff walls, and a bread price to our working population higher than elsewhere in the world. There has developed a sounder answer -- the rebuilding of the buying power of great consuming peoples in Europe. Business experience and ability applied to Europe's economic problems have reestablished the currents of trade, and made food effective in price advances. Business men foretold four years ago that disorganize Europe meant American farm distress, and their judgment is vindicated by the marked improvement which followed the successful progress of the Dawes plan. Moreover, one can not subscribe to the superficial statement that the American farm can not grow export grain in competition with other lands. American methods, resourcefulness, cheap transportation, a marketing system by which trading centers for future delivery eliminate the burden of large merchant toll -- all these enable the American farm to compete against peasant labor, with its crude methods, as in Russia. The main point is to preserve the channels of trade and the practices of international business so that demand, when existent, can reach unobstructedly the American source of supply, and that day seems to have arrived."

Agriculture 2

The Journal of Commerce for October 6 says: "According to the Department of Agriculture, conditions on the farm are pronounced as the best that have shown themselves for five years, while in the wheat belt the situation is 'infinitely better' than at any time

during the past four years. Throughout the cotton region the outlo is described as 'satisfactory' and in other parts of the country th outlook is equally encouraging. If this be the case there may well be at least an intermission of the dreary predictions of disaster to the farmer and the pessimistic analysis of 'problems' that have been put forward in many quarters. Former Secretary Meredith in his speech in Chicago last Tuesday repeatedly called upon his audience 'to get busy' and do something to relieve the farmer's necessities, but he did not say what these should be. About the nearest he came to anything of a specific nature was his statement that the law of supply and demand ought to be 'interpreted to the farmer.' What this means it would be hard to say, but perhaps an interpretation of that law most satisfactory to the farmer himself is the one which has been furnished by higher prices for goods and an improved economic situation generally. Let the transformation of farm conditions along lines of prosperity continue and it may become possible after the election to refer to the question of agriculture without either describing it as the most fundamental of the country's industries or designating it as a 'problem'."

Australia-Canada Tariff Pact According to a cable received from Trade Commissioner Pauly by the Department of Commerce, the long-continued negotiations between Australia and Canada for reciprocal customs tariff preferences have drawn to a conclusion favorable to both countries. Canada concedes preferential duties upon Australian fresh and canned meats, lard, tallow, eggs, cheese, butter, tinned fruits and vegetables; certain dried fruits, fresh pears, quinces, apricots and nectarines; honey, glue, gelatine, wines and champagne, and in addition thereto grants free entry to Australian dried currants and raisins, raw onions, beeswax and eucalyptus oil. The Australian reciprocal concessions cover Canadian fish, gloves, printing machinery, calculating machines, typewriters, cash registers, newsprint and certain other papers, iron and steel tubing under three inches, motor vehicle chassis and certain parts, etc. The reduction in Canadian duties amount to in general one-half the rates applicable upon similar products from the United States and most non-British countries. (Press, Oct. 6.)

Business Conditions The National City Bank of New York, in its review of business conditions for October 3, says: "There is apparent in business circles some disappointment that the industrial rally which was quite noticeable in August did not develop into a more pronounced movement in September. We think, however, all things considered, that the volume of trade in recent months and the present trend in industry should be regarded as quite satisfactory. The falling off of production during the past six months has been for the most part in lines that were very active in the preceding six months and which evidently had accumulated a surplus of goods. In some of these, notably iron and steel, productive capacity has been increased in the last ten years to such an extent that it need not be deemed discouraging if it is not kept fully employed all the time. Coal-mining has been notoriously over-developed and nothing but acute depression will ever give it normal activity. Nothing in the situation should

be regarded as discouraging which is plainly necessary to place it on a sound basis. ... The automobile industry has been growing so fast that a check was fully due. The industry has never had what could be called a settled and stable production, and it is not a criterion of general business conditions. The cotton goods industry has been affected by an unsettled state of the raw material market, which in turn has been due to small supplies and unusual dependence upon the growing crop. Notwithstanding the light production of good in the last six months, goods have been plentiful enough to prevent price-advances and keep the industry on an unprofitable basis. ..."

Farm Implement Exports — Exports of agricultural implements from the United States in August showed a recovery from the decreases which took place in June and July, according to the agricultural implements division of the Department of Commerce. The August exports amounted to $6,550,292, as compared with $4,376,512 in July and $6,325,306 in August, 1923. Exports for the eight months ended with August totaled $44,066,108, or only about $6,000,000 less than the total exports of implements during the calendar year 1923. For the corresponding months of 1923 the exports were valued at $34,478,325. While the values of various implements exported in August did not differ greatly from those of the same month last year, the most striking change was in wheel tractors. These showed a decrease from $1,526,886 to $1,398,100, whereas prior to this month tractor exports had been showing very consistent increases each month. While the values decreased, however, the number exported increased from 2,347 to 2,766, which would seem to indicate that a larger number of low-priced wheel tractors are being exported than was the case last year. Garden tractors declined as compared with last year, while the number of track-laying tractors exported increased. Threshers, plows, cultivators, mowers, hayrakes, tedders and harvesters and reapers all showed large increases over July. (Press, Oct. 6.)

Flax in Oregon — A Portland, Oreg., dispatch to the press of October 6 states that between 7,000 and 8,000 acres in western Oregon will be planted to flax next spring, which will double the existing acreage in the Williamette Valley. Financial interests contemplate a spinning and weaving mill for Salem. Two years' supply of raw flax is on hand at the retting plant of the State Penitentiary, enough, with the larger crop, to insure steady operation of a linen plant.

Grain Pools — The Price Current-Grain Reporter for October 1 says: "Charges have been made by the president of the American Wheat Growers' Association that the established grain trade in Minnesota has been paying premiums on wheat to wean away the support of pool members. In fact he goes so far as to say 'prices paid by elevators actually leave them not enough margin under the terminal cash price to pay the freight to Minneapolis with nothing whatever for handling charges.' This certainly is refreshing information to the numerous elevators throughout Minnesota which have barely made expenses and some that have impaired their capital in order to keep in business. These charges are nothing but unadulterated bunk to anyone who is acquainted with the real situation and has studied the Department of Agriculture

report on elevator costs. It is nothing new to raise the persecution cry in the face of defeat. The pool officials see defeat confronting them, and are doing everything possible to square themselves with the pool membership. If the independent elevators of Minnesota are doing what the pool president charges, the grain trade will soon witness the greatest wave of bankruptcy in the history of the business. It is ridiculous to believe that any grain elevator could long withstand the payment of prices which did not take freight into consideration, let alone handling charges. It is a well-known fact that pools are not economical and can not successfully compete with the independent or farmers' elevator. They must resort to unfair propaganda to keep members in line."

Livestock

Sioux City Live Stock Record for September 30 says: "After looking the entries over this morning, one of the best judges of feeder cattle, a man who has been feeding cattle for 40 years and has made a study of beef type, made the remark that 'numerically there may be fewer cattle in the country as a whole, but there is evidence in the young stock already in the show that attention is being paid to the matter of getting better quality into herds. There are many exhibits here that are as good feeding prospects as I have ever seen. Not only is the show big and good, but there are acres of good cattle in the north end of the yards this week, many herds from which show loads have been sorted -- and it was not necessary to do much sorting either. Taking the country over, cattle breeding may have been neglected to some extent during recent years, but it is evident in this show that a few men are keeping their herds up -- and they will be winners in the long run."

Price Average

A New Haven dispatch to the press of October 6 says: "Professor Irving Fisher's index number of American commodity prices last week, based on 100 as the average price of 1913, is 150.5, compared with 147.8 the preceding week and 147.3 two weeks ago. The average for the full month of September is 148.9, comparing with 147.7 in August, 145.2 in July, 143.0 in June and 144.8 in May. The average for the quarter ending with September was 147.3, as compared with 144.7 for the June quarter and 150.5 for the March quarter. The highest percentage of the year to date was the 155.2 on February 9; the lowest was 142.3 on June 29. The highest percentage since the war was 247 in May, 1920; the lowest, 130, in January, 1922. Crump's British index number, as cabled for the past week, was 160.8, as compared with 159.5 last week, 158.1 in the week ending September 19 and 157.9 in the week ending September 12. The average for the full month of September was 158.6, comparing with 155.9 in August. The average for the quarter ending with September was 155.9.

Russian Trade

A Moscow dispatch to the press of October 4 states that American interests, represented by the Harrimans of New York, have obtained from both the Russian and Georgian Governments a contract to work the manganese fields in the Chatcuri district of Georgia for a period of twenty-five years, against the competition of Great Britain and other nations. The contract involves several million dollars. The fields are expected to produce 1,000,000 tons yearly.

Section 3

MARKET QUOTATIONS

Farm Products

Oct. 6: - Chicago hog prices closed at $11.45 for the top and $10.20 to $11.20 for the bulk. Medium and good beef steers $7.10 to $11.15; butcher cows and heifers $3.25 to $11; feeder steers $5 to $8; light medium weight veal calves $9.75 to $12.50; fat lambs $12.25 to $14; feeding lambs $11 to $13.25; yearlings $8.25 to $11 and fat ewes $3.75 to $7.

Maine sacked Irish Cobbler potatoes firm at $1.50 to $1.60 per 100 pounds in Baltimore and Pittsburgh, bulk stock $1.15 to $1.25 in New York; mostly 65¢ f.o.b. Presque Isle. Eastern Shore Virginia sweet potatoes yellow varieties tend lower, closing at $3.25 to $4.50 per barrel in leading markets, top of $5.25 in Chicago. New York domestic type cabbage firm at $10 to $20 bulk per ton in city markets; $7 to $10 f.o.b. Rochester. New York Elberta peaches generally weaker at $1.75 to $2.25 per bushel basket in consuming centers; $1.60 to $1.65 f.o.b. Rochester. New York apples, Wealthys, fairly steady at $1.25 to $1.50 per bushel basket in eastern cities; $5 per barrel in New York.

Grain prices quoted Oct. 6: No. 1 dark northern spring Minneapolis $1.49 to $1.68. No. 2 red winter wheat St. Louis $1.59 to $1.63; Kansas City $1.55. No. 2 hard winter wheat Chicago $1.50 1/2 to $1.52 1/2; St. Louis $1.48 1/2; Kansas City $1.40 to $1.51. No. 2 mixed corn Chicago $1.12 to $1.14 1/2; Minneapolis $1.05 1/2 to $1.06 1/2; Kansas City $1.06 1/2. No. 2 yellow corn Chicago $1.14 to $1.15 1/2; Minneapolis $1.09 to $1.10; Kansas City $1.11. No. 3 yellow corn Chicago $1.12 3/4 to $1.14; Minneapolis $1.08 to $1.08 1/2; St. Louis $1.13 1/2; No. 2 white corn Kansas City $1.09. No. 3 white corn Chicago $1.13 to $1.13 3/4; St. Louis $1.12 to $1.14. No. 3 white oats Chicago 53 1/2 to 55 1/2¢; Minneapolis 49 3/4 to 50¢; St. Louis 54 1/2 to 55¢; Kansas City 55¢.

Closing prices on 92 score butter: New York 38 1/2¢; Chicago 37 1/2¢; Philadelphia 39 1/2¢; Boston 38 1/2¢.

Spot cotton down 39 points, closing at 24.71¢ per lb. New York October future contracts down 36 points, closing at 25.99¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Oct. 6,	Oct. 4,	Oct. 6, 1923
20 Industrials	102.58	102.85	89.29
20 R.R. stocks	88.43	88.90	80.81

(Wall St. Jour., Oct. 7)

DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XV, no. 7 Section 1 October 8, 1924.

The President on Agricultural Questions

An Associated Press dispatch to the press to-day says: "Additional information from the Tariff Commission on the costs of sugar production in this country and in Cuba was requested October 7 by President Coolidge in connection with his study of the commission's report favoring a reduction in the present sugar duty. The President has told those interested that he proposes to protect the American sugar beet industry from the possibility of any combination which might develop in Cuba or elsewhere with a view to controlling sugar prices. A report also has been requested from the Department of Agriculture on sugar beet farming in this country.

"Referring to the proposed commission on agriculture, Mr. Coolidge October 7 told visitors he wished to confer with two or three other farm leaders before selecting the personnel of the body. He feels there is no demand for haste in naming the commission, for he believes agriculture has regained its feet."

Radio Conference

Opposition was expressed October 7 at the annual radio conference when an announcement was made that the Radio Corporation of America purposed to establish a super-power broadcasting station near New York City as the experimental forerunner of a Nation-wide major system. The announcement was made by David Sarnoff, vice-president and general manager of the corporation, in an address. Mr. Sarnoff declared that the proposed station might have a power rating of as much as 50 kilowatts, if no regulatory proposals are adopted that would limit it. The opposition to the Radio Corporation's plan was expressed by G. E. Erbstein, operator of a station at Elgin, Ill., and Walter A. Strong, representing the American Newspaper Publishers Association. (Press, Oct. 8.)

Franco-German Potash Accord

A Paris dispatch to The Wall Street Journal of October 7, says: "Rival German and French potash interests have agreed to divide the American market for their output on the basis of 62.5 per cent and 37.5 per cent respectively. Thus the first important Franco-German industrial agreement since the war may be the forerunner of similar agreements respecting the metallurgical and textile trades. ... The two parties undertake to conduct a campaign among American farmers to push their sales and they hope to attain a shipment of 300,000 tons in 1925. Alsatian mines have ambitious projects for development of production and are relying on American credits to finance them."

Fruit Rates

An Interstate Commerce Commission examiner has recommended dismissal of the complaint of the California Growers and Shippers Protective League against present freight rates on fresh deciduous fruits, other than apples, from California to Eastern transcontinental groups. (Press, Oct. 6)

Section 2

Agricultural Education

The Field (London) for September 25 says: "There can be no doubt that the ever-growing body of young farmers who have had the advantage of a training course at an agricultural college or farm institute will exercise a profound influence during the next decade. While some may have been inclined to exaggerate the importance of scientific knowledge to the farmer, it has in the past been far easier to deride the teaching of the scientist. In spite of this tendency in some quarters, the value of the training given at agricultural colleges and farm institutes is generally recognized to-day. ... In our experience many of the scientific details which a young man must amass to pass his examinations are soon forgotten when he returns to the farm. However, the fact that he has been immersed in a scientific atmosphere for several months must be of lasting value to him in his career. He has gained a true appreciation of the main principles, and it is within his power to follow up any particular line on his own farm. For instance, he is in a position to use intelligent discrimination in the use of fertilizers and farmyard manure, he can adopt the most economic rations for his livestock, and he is well qualified to undertake the production of graded milk should he so desire. This does not imply that the man who has passed through a college is necessarily a better farmer than his neighbor who has not, but there is no doubt that this training and a sound knowledge of practice make a strong combination. Quite apart from the scientific and practical advantages he may gain, the farmer's son will probably develop a broader mind during his time at an agricultural college. As he rubs shoulders with other young fellows in the same walk of life, his prejudices and individualism tend to be broken down and the spirit of fellowship develops. He realizes that his interests are often identical with those of others and that their common interests can best be served by combined effort. It promises well for the industry that several hundreds of young men are now passing out of training centers into the industry each year. As they reach mature years and take up responsible positions we are sure that the Nation will have no cause to regret the liberal investment of the tax-payer's money in agricultural education."

Agricultural Situation

A Davenport, Iowa, dispatch to the press of October 7 says: "Former Governor Lowden, of Illinois, in his first speech of the presidential campaign here October 6, emphasized the importance of the agricultural question to the entire country, declaring that it is coming to be recognized that there can be no real prosperity until it is settled. ... 'Agriculture finds itself with its millions of members freely competing among themselves while it is obliged to sell its products in a highly organized industrial and commercial world,' he said. 'Now, if the farmers are to put themselves upon terms of equality with the great industries of the country, they too must organize. They must find some way to restore the proper relationship between the prices they receive for their products and the prices they pay for other commodities. At last we have a law upon the statute books which authorizes to the full extent the organization of the farmers to accomplish this very purpose. ...'"

Agriculture in Britain

The Field (London) for September 25 says: "In the farming of a country with so fickle a climate as that of Great Britain the breeding and utilization of livestock must ever be fundamental and prominent features. Whatever improvement can be effected in arable systems, cattle, sheep and pigs will enter very largely into the scheme of operations. It is well that this should be so, for it is the dovetailing or blending of tillage and animal pursuits that distinguishes our farming from that of the territories with which it has chiefly to compete. The advantages of a composite agriculture are well understood by observant agriculturists and especially by those who, inspired by occasional impulses of enthusiasm, have deviated into concentrated efforts. Specialization in the breeding of animals or growing of crops answers well when the choice happens to be favored by the market, but on an average of years it is a risky procedure and compares unfavorably with the balanced records of a more comprehensive scheme. When the importance of livestock is emphasized, it is not intended to distinguish stock sharply from arable farming, but to look upon the one as an important adjunct or complementary to the other type of pursuit. Neither here nor in any other country can an enlightened system of livestock farming be completely detached from the cultivation of the soil in some form or other. Grass farming, although still admittedly imperfect in many districts, has been so skillfully developed in others that the results achieved without the aid of rotation crops are very remarkable. Where grassland of the finest description obtains it would be a serious mistake to disturb it. It is the envy of competent visitors from Europe and America, indeed from all parts of the world, and in view of the tendency in some quarters to think disparagingly of grass and grass farming it is reassuring to hear from so industrious a people as the Danes, as well as others, that if they could attain the same perfection in the raising of permanent grass as they have seen in many parts of England, they would not hesitate to follow the English example and substitute grass for arable systems of management. It is only in certain districts, however, that this high degree of efficiency is general, and farmers in the eastern counties acknowledge that it would be hopeless for them to attempt to emulate the examples of the West. In the future as in the past, British farming will be marked by inconsistencies of form, procedure and result. The inflexible conditions of soil and climate, supported in some measure by the markets, decree that uniformity should be conspicuous by its absence. Our farmers have been shrewd and skillful enough not to strive after standard forms but to phan and mould their systems as suggested by the lessons of experience. It would be claiming too much to maintain that the highest level attainable in this direction has yet been reached, but progress along the right lines has been steady and is aided and encouraged by the improved educational system that is being gradually extended and organized to cover the wider scope of farming as we know it now in Great Britain. In an educational sense we are still relatively weak in livestock matters, more particularly those pertaining to health and consistent breeding. It would be in the interests of the industry if greater attention were paid to the study of animals and animal diseases. Stock-owners have suffered severely in past years from ailments in their herds and flocks that have never received the attentio

that on economic grounds their importance merited. It is not suggested that there should be any slackening in the lines of research already engaging attention, but the pursuits which are peculiarly fitted to this country and in which we have especially excelled call urgently for the help of science in the solution of their complex and numerous problems."

Grain Marketing Company

An editorial in Southern Agriculturist for October 1 says: "The idea back of this Grain Marketing Company seems a sound idea. If the machinery of four or five of the largest grain marketing concerns can be combined under the management of capable men, it would seem that some economies in the marketing of grain ought to be effected and the profits of grain marketing be given to the grain producers. The theory appeals. As to whether the practical details of the merger are such as to make the purchase of stock in the concern a safe investment for grain growers, only time, or much fuller information as to what the purchasers of stock would be getting, can determine. ... The names of the men who are to direct the enterprise carry with them the assurance of much talent and much high-minded interest in agriculture, but much less assurance of ability to manage a great grain marketing organization. It is to be hoped that the directors of the Grain Marketing Company will take the farmers of the country completely into their confidence, and that they will be able to make it plain from the very beginning that the business of the company is to be conducted on strictly business plans and solely in the interests of the grain growers whose business it invites. If they do this, the enterprise should be a success."

Land Settlement in Australia

The Idaho Farmer for September 25 says: "Land settlement is entering upon a new era in Great Britain as well as in the United States. Constructive land settlement is not simply to entice settlers to take up land without any regard as to their fitness and to sign contracts for the payment of installments under conditions which are hard or impossible to meet. Negotiations are reported from London between the Imperial Government of Great Britain and the Commonwealth Governments of Australia to meet interest on loans up to $150,000,000 for the promotion of immigration and land settlement in Australia. The British imperial authorities offered to pay one-half of the interest for a period of five years on loans not exceeding $100,000,000, together with one-third of the interest for a period of five years. The Commonwealth and State Governments of Australia are to pay the balance of the interest. It is contemplated that these loans will be received in installments over a period of 10 years. It is stipulated that for each $5,000 of loan money the Australian Government should undertake to settle at least one family, averaging five persons, together with five other immigrants, counting men, women and children. The Commonwealth Government of Australia will also undertake to reorganize and place on a proper basis the existing arrangements for the reception, training, settlement, after care and housing of the new settlers, under the Government supervision. If full advantage is taken of this offer it is expected it will provide between 400,000 and 500,000 new settlers (men, women and children) in Australia from Great Britain in the next 10 years."

Marketing Conference

Southern Ruralist for October 1 says: "Beginning November 11 and continuing through the 14th there will be held at Atlantic City, N. J., a Nation-wide conference on marketing, distribution and increased consumption of fruits. This conference, which will bring together the leading producers, distributors and leading men of professional training, is one of vital interest to the South. We have gone far enough here in the production of fruit to realize most keenly the vitally important fact that production is not even half the solution to the problem of building a profitable fruit industry. The Peach Belt of Georgia found itself in a peck of trouble just a few weeks ago, due in some respects to circumstances over which the producers had no control whatever, but in many other respects due to circumstances over which the producers must have control or continually run the risk of another disaster, such as overtook them this year. Not only must the producers continue to work toward the production of the very finest fruits in point of quality but they must at the same time put together an organization wholly responsible and sufficiently well manned and financed to build up consumption to a point where our fruit products will be disposed of at a profit to the grower. Rounding out the fruit industry after this fashion is a man's-sized job. To begin with, it is national in scope. That is why this Nation-wide meeting at Atlantic City is a matter of the utmost importance to the fruit producers of the South."

Sugar Tariff

The Journal of Commerce for October 7 says: "Failures of the Tariff Commission, by its majority report, to produce evidence to justify reduction in the existing tariff on Cuban sugar from 1.76¢ per pound to 1.23¢ per pound, favored by Vice Chairman Culbertson and Commissioners Costigan and Lewis, is apparently responsible for the request of President Coolidge that additional information on the subject be furnished him, it was declared in Washington to-day. ..."

Supply and Demand

An editorial in Pennsylvania Farmer for September 27 says: "There is no denying that, in a general way, the law of supply and demand is operative to a certain extent at least in essential commodities, except those controlled by a close monopoly. But no one knows the principles on which the law operates. That is, no one can tell what the price will be when the supply is a given percentage above the needs, nor what it will be when the supply is less than the market normally demands. When the Government recently increased its estimate of the cotton crop by five per cent the price immediately fell twenty per cent. In other words, a small percentage above or below the actual needs often sends the market price several times that much up or down. A five per cent excess in the potato crop may cause a price twenty-five per cent below what it would have been had there been no surplus. The same thing is true with wheat, milk, hogs and all other products. If economic conditions throughout the world were the same, our surplus could be disposed of abroad on a price-level even with our own; but since economic conditions are different, the world's price level is normally lower than our own and our surplus must be sold on that basis. Unfortunately, the price received for the surplus sold abroad becomes the price for that which is sold and used in this country. Until this condition is corrected it will remain more or less a calamity for American farmers to produce in excess of the needs of our own country."

Section 3

MARKET QUOTATIONS.

Farm Products

Oct. 7: - Maine sacked Irish Cobbler potatoes $1.50 to $1.60 per 100 pounds in Baltimore and Pittsburgh; bulk stock $1.15 to $1.25 in New York, 65¢ f.o.b. Presque Isle. Pennsylvania sacked Round Whites mostly $1.50 to $1.60. New York domestic cabbage mostly $12 to $17 bulk per ton in eastern cities; $7 to $9 f.o.b. Rochester. Yellow varieties of onions from New York and the Middle West ranged generally $1.50 to $1.75 sacked per 100 pounds in leading markets; $1.25 to $1.60 f.o.b. New York Elberta peaches $1.25 to $2.25 per bushel basket in leading cities; $1.65 f.o.b. Rochester. New York Wealthy apples $1.25 to $1.75 per bushel basket in eastern markets, $4.50 per barrel in New York. Illinois and Missouri Jonathans $6 to $8 per barrel in the Middle West.

Chicago hog prices closed at $11.50 for the top; bulk of sales $10.40 to $11.30; medium and good beef steers $7 to $11.15; butcher cows and heifers $3.25 to $11; feeder steers $5 to $8; light and medium weight veal calves $9.75 to $12.50; fat lambs $12.75 to $14.25 and yearlings $8.50 to $11.25.

Grain prices quoted October 7: No. 1 dark northern spring Minneapolis $1.49 to $1.68. No. 2 red winter Chicago $1.55 1/2 to $1.56; St. Louis $1.58 to $1.59; Kansas City $1.53. No. 2 hard winter Chicago $1.49 1/4 to $1.50 1/2; St. Louis $1.47 to $1.47 1/2; Kansas City $1.39 to $1.48. No. 2 mixed corn Chicago $1.11 1/4 to $1.12; Minneapolis $1.08 1/4 to $1.09 1/4; Kansas City $1.07. No. 2 yellow corn Chicago $1.12 to $1.15; Minneapolis $1.12 1/2 to $1.13 1/4; Kansas City $1.10. No. 3 yellow corn Chicago $1.10 3/4 to $1.12 1/4; Minneapolis $1.11 1/2 to $1.11 3/4; St. Louis $1.15. No. 2 white corn Kansas City $1.10. No. 3 white corn Chicago $1.10 1/2 to $1.11; St. Louis $1.13 1/2 to $1.14. No. 3 white oats Chicago 52 3/4 to 54¢; Minneapolis 50 to 50 1/4¢; St. Louis 54 1/2 to 55¢; Kansas City 52 to 52 1/2¢.

Spot cotton up 26 points, closing at 24.97 per lb. New York October future contracts up 17 points, closing at 26.12¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Oct. 7,	Oct. 6.	Oct. 6, 1923
20 Industrials	102.38	102.58	89.29
20 R.R. stocks	88.31	88.43	80.81

(Wall St. Jour., Oct. 8)

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DAILY DIGEST

Vol. XV, no. 8 Section 1 October 9, 1924.

To Aid Sisal Industry

A Mexico City dispatch to the press to-day says: "The Mexica Government will start a cooperative sisal association for the benefit of the growers and buyers. Continuous complaints made by sisal purchasers, together with the decision of the American courts that the old sisal combination in Merida was a monopoly, has caused the Mexican Government to send the Minister of Industry and Commerce, General Manuel Perez Trevino, to Yucatan, where he will study the situation and start the cooperative organization, which will share the profits between the producers and the purchasers. ... The Government, it was learned October 8, had agreed to the opening of an office of the American Department of Agriculture in Mexico City. The request was made through the Department of Foreign Relations to the Department of Agriculture, which, immediately seeing advantages in having American experts in Mexico, gave approval, and Senor Ramon de Negri will advise the State Department that the Mexican Government looks with favor upon the plan. Mexico will be the third country to extend this courtesy to the American Government, Germany and Argentina being the others."

Loan to Germany

A London dispatch to the press to-day says: "Upon informatio gathered from most authoritative sources,it may be stated that the contract for the German loan of 800,000,000 gold marks ($200,000,00 will almost certainly be signed before the end of the week, and in all probabilit October 9. As yet the terms of the loan can only be stated approximately. The novelty and intricacy of the transaction are equaled only by its importance. At once the buttress and keystone of the Dawes plan, it may be taken as marking the end of the semi-chaotic business conditions following the war and as ushering in a period of greater stability and progress."

South Africa May Use Texas Cotton Method

A Dallas dispatch to the press to-day states that Percy Grea head, a farmer, of Johannesburg, South Africa, is in Texas to investigate the growing of cotton, with the view of adopting method used in that State in the industry in his homeland. He said that while the total production of cotton in South Africa in 1923 was or about 10,000 bales, there is much interest taken there in developing the industry Mr. Greathead expressed belief that within ten years South Africa would have a total annual production of 1,000,000 to 1,500,000 bales. There are large areas o land ideally suited for growing cotton, he said.

Hoof and Mouth Ban

The Canadian Government has prohibited importation of livestock, meats and stock feed, as well as merchandise packed in hay and straw, from Texas, New Mexico, Colorado, Oklahoma, Arkansas, Kansas, Louisiana and Mississippi, according to the press of October 8.

Section 2

Agricultural Training in South Africa

A comprehensive, illustrated, article outlining the work of the South African Department of Agriculture, and treating of five of the country's agricultural colleges, appears in Country Life (London) for September 27. The article says in part: "Farming is no longer the dull, bucolic affair townsmen picture it -- a trade merely for slow-witted plowmen and herds. Science has done nearly as much for agriculture as for medicine, and modern farming, in its highest manifestation, and in a country like South Africa, is studied as painstakingly and practiced as skillfully as any profession. It is a profession to which, since the war, men of ability have increasingly turned, and it may be topical, therefore, briefly to recount how they are trained for the leading positions in it. In a country like the Union of South Africa, whose future depends primarily on the full and proper utilization of the soil, the Department of Agriculture is of outstanding national importance. ... In the Union of South Africa there are five agricultural colleges, established and maintained by the State. They are really large country estates, the smallest being 2,000 acres and the largest 25,000 acres in area; and on each there are orchards, fields, plantations, flocks and herds, as well as laboratories, lecture rooms and well appointed hostels for the students."

Agriculture 1

The Journal of Commerce for October 7 says: "The announcement that the principal grain crops will result in giving to the farmer some six or seven hundred million dollars more than last year is currently received as a conclusive evidence of prosperity, yet there are many doubters who are not willing to take that view of the situation. One of them is the Fair Tariff League, with headquarters in New York, whose chairman holds that while farmers 'will get one-quarter of a billion dollars more for their crop this year than last,' the gains so made will scarcely cover the increase in the cost of their necessaries. Suppose that the estimate of $250,000,000 should be trebled, as perhaps it may be if the Government's figures are correct. This would mean perhaps $30 increased income for each farm resident in the United States if the higher earnings were evenly distributed. Of course, they will not be evenly distributed, but some will get more and others less. Owing to reduction of total crop yields there is considerable reason for thinking that a good many communities in the Middle West will not be particularly better off as measured in money than they were last year. The $30 per capita will not go to them, but will be added to the increased income of farmers in various other parts of the country. Wholesale price indexes show the general position of commodity prices to be about the same this year as it was last at this time. It is true, however, that commodity prices and price increases are not evenly distributed any more than increases in farm incomes. Some things which the farmer needs, such as textiles, have risen in value, while other things which he requires have remained about stable. A survey of the situation seems to show that some part at least of his higher crop income will have to be paid out in order to get the same amount of consuming power he received a year ago. There is thus a basis for the contention that the farm population is not really prosperous to the extent indicated by the advance

in the price of products. Undoubtedly the situation calls for thorough revision both of taxation and of tariff duties. Lacking these there is no reason to suppose that conditions will be permanently improved."

Agriculture 2

The Journal of Commerce for October 8 says: "Most business forecasters have of late been so occupied with happy meditations upon what is usually termed the general improvement that has come in rural districts and so intent upon the task of listing all the benefits that are supposed to come to the community at large as a result of such changes that they have not had much time to learn in any great detail just what has happened. Yet it is more or less obvious that the real significance of changed agricultual conditions can be properly gauged only after it is pretty definitely known whether the larger profits accruing in the agricultural industry are evenly distributed or, if not, which classes or groups of farmers are enjoying or are soon to enjoy the new prosperity. Not all the farmers in the land find themselves better off than they have been; but generally speaking, those which were the worst off last year and in some cases at all events those who have been suffering for several seasons are happy over much better prospects. ... So much for the facts of the agricultural outlook. How may these be expected to affect the general business situation? From what has been said it is clear that in general fate has seen fit to take from those which in late years have been relatively prosperous and give to those which have been the heaviest sufferers. In these circumstances it is reasonable to suppose for one thing that banks and others who have had funds 'tied up' in such regions as North Dakota or Georgia will be presented with an opportunity to 'clean up' in substantial measure. In fact, if current reports are to be trusted, something of the sort has already been under way where the farmers have had an opportunity to get cash in hand, as in North Dakota. The same good news ought before long to be heard from some of the States of the Cotton Belt. Furthermore, farmers in these formerly distraught sections presumably have been doing but little buying in some instances for several years past. They ought now to be actively in the market for a variety of goods chiefly, it is to be hoped, of a substantial character. Meantime other States which have not been so fortunate during the past season are not by any means entirely bereft of their purchasing power. Gain on the whole, it is to be remembered, have more than offset losses. There are no sections which bid fair to be as badly off as some portions of Georgia and North Dakota, for instance, were reputed to be before better crops and other circumstances rescued them within the past few months."

American Cotton in India

London correspondent of The Wall Street Journal for October 7 says: "The world needs 14,000,000 bales of American cotton. But America produces only 12,000,000 bales. There is a shortage of 2,000,000 bales. Where is it to come from? Apparently not from America, as the cotton crop has been dwindling ever since 1915. If you ask a member of the British Cotton Growing Association, he will tell you that the answer to the problem is to be found in the new situation in India. Within the last few years, the discovery has been made that what is known as American cotton can be grown in India ..."

Business Outlook The Annalist for October 6 says: "Uncertainty, arising in considerable part from the political situation, is the dominating fact in the present state of business. The outlook is for a continuance of this uncertainty until the election of a President and Congress has made clearer the coming attitude of the Government towards thin, as they now are. Urgent industrial readjustments, especially as to wage rates, will wait on the clarifying of the political prospect. High prices for grains and cotton are the strongest buoyant forces within a moderate business expansion full of contradictions. New influences, difficult to appraise, will operate when American financing of Europe begins on the expected large scale."

Farmer Taxes An editorial in The New York Times of October 8 says: "The reassembling of the Supreme Court reminds farmers of their need of protection against confiscatory taxation by their own States. The question arises in what is known as the Arkansas road cases, six of which await the Supreme Court's decision. If there is no judicial control of lawmakers, nothing can prevent the taxation of property on different sides of a road at different rates. That is an actual case now pending. In another actual case a farm is taxed for $3,000 a year, although the gross earnings of the farm for income tax purposes are only $8,000. That differs from confiscation only in degre In one small district a Federal receiver for the bondholders auctioned off 500 small tracts of land, aggregating 20,000 acres, for unpaid taxes. The bondholders took the lands of the farmers. How great is the need of farmers to be protected against the excesses of lawmakers has been convincingly shown by Richard T. Ely, director of the Institute for Research in Land Economics. He charted the lines of taxation and farm values and demonstrated that, if present conditions persist, taxes will soon absorb 'the whole annual net returns of America's farm lands.' ..."

Farm Industry An editorial in The Grain Growers' Guide (Winnipeg) for October 1 says: "The farmer is a manufacturer. Yet he sells his product at the lowest wholesale price and has no voice in fixing that price. He buys everything at the highest retail price and has no voice in regulating that price. No other manufacturing industry in the world could last twelve months on that basis."

Foreign Trade While most of the important groups of American exports made substantial gains during the first half of 1924 over the same period of 1923, grains, sugar, paper, chemicals, coal and cotton manufactures declined, according to an analysis of American foreign trade for the first six months of the year made public to-day by the foreign commerce department of the Chamber of Commerce of the United States. It is shown by the analysis that exports for the first six months of 1924 totaled $2,089,000,000, an increase of $144,000,000, or 7.4 per cent above the amount exported a year ago. The department's statement points out that "during the second quarter of 1924 our exports fell $113,000,000 below those of the first quarter -- a decline of approximately 10 per cent -- in keeping with the normal seasonal decline.

Business Outlook The Annalist for October 6 says: "Uncertainty, arising in considerable part from the political situation, is the dominating fact in the present state of business. The outlook is for a continuance of this uncertainty until the election of a President and Congress has made clearer the coming attitude of the Government towards things as they now are. Urgent industrial readjustments, especially as to wage rates, will wait on the clarifying of the political prospect. High prices for grains and cotton are the strongest buoyant forces within a moderate business expansion full of contradictions. New influences, difficult to appraise, will operate when American financing of Europe begins on the expected large scale."

Farmer Taxes An editorial in The New York Times of October 8 says: "The reassembling of the Supreme Court reminds farmers of their need of protection against confiscatory taxation by their own States. The question arises in what is known as the Arkansas road cases, six of which await the Supreme Court's decision. If there is no judicial control of lawmakers, nothing can prevent the taxation of property on different sides of a road at different rates. That is an actual case now pending. In another actual case a farm is taxed for $3,000 a year, although the gross earnings of the farm for income tax purposes are only $8,000. That differs from confiscation only in degree. In one small district a Federal receiver for the bondholders auctioned off 500 small tracts of land, aggregating 20,000 acres, for unpaid taxes. The bondholders took the lands of the farmers. How great is the need of farmers to be protected against the excesses of lawmakers has been convincingly shown by Richard T. Ely, director of the Institute for Research in Land Economics. He charted the lines of taxation and farm values and demonstrated that, if present conditions persist, taxes will soon absorb 'the whole annual net returns of America's farm lands.' ..."

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German Harvest Outlook Poor

A Berlin dispatch to the press of October 6 states that crop reports from the agricultural districts were still less favorable last week, and it is now recognized that large imports will be needed.

Potash Imports

The Journal of Commerce for October 7 says: "Importers of potash under recent Franco-German agreement for division in the American market, which it is reported will be protested by the State Department refusal yesterday to discuss the matter, in advance of a definite protest being made. Their attitude was that until the protest became a fact, the matter was no concern of theirs. Underlying this seemed to be a feeling that even if a protest were made, there was little chance of the abrogation of the agreement. The fertilizer trade discovered little of interest to itself in the news of the possible protest. Leading interests who purchase potash in large quantities were authority for the statement that with prices reduced following the agreement, they had no intention of 'bedeviling' the situation by supporting a protest through diplomatic circles."

Rubber in Liberia

The India Rubber World for October 1 says: "The rumor that one of the great tire companies, the Firestone, has secured a concession of 1,000,000 acres of land in Liberia makes that African republic of instant interest. Situated on the west coast of the Dark Continent, directly across from Brazil, the country has rubber possibilities that are second to none. In the first place, according to British experts, of the 43,000 square miles belonging to Liberia at least 20,000 square miles are rubber forest that has hardly as yet been touched. Sir Harry H. Johnston, once special commissioner in Uganda, and a well-known author and publicist, stated in 1905 that Liberia had four times as much rubber teritory as had Uganda. As the last-named country averaged for years 2,000 tons annually of wild rubber, Liberia's present possibilities are great. As a matter of fact, nowhere in the world is there such a concentration of well-known rubber producers, Funtumia, Landolphia, Clitandra, Carpodinus and Ficus. As a region favorable to Hevea planting, it is fully equal to any part of Brazil, the Federated Malay States, or Sumatra. The soil is rich, the climate strictly tropical, the rainfall over 100 inches, and the region free from destructive storms. The native blacks number over 2,000,000 and the civilized negroes, who are in control, some 60,000. The country is advised and to a degree financed by the United States, France, and England. Taxes are light and capital is protected. There is also plenty of cheap labor. It should also be remembered that there are existing Hevea plantations there; doubtless enough for an abundant seed supply. Founded by an American, with English as the language in general use, the region presents a very strong appeal, and we trust that the rumor of rubber planting in Liberia is based upon fact."

Wool Prices

According to the press of October 5, wool markets abroad as well as here continue to show firmness as well as a fair amount of trading. At the London auction sales there was some tapering off in the demand, and the peak prices first obtained were not sustained.

Section 3

MARKET QUOTATIONS

Farm Products

Oct. 8: - Chicago hog prices closed at $11.50 for the top and $10.60 to $11.40 for the bulk. Medium and good beef steers $7 to $11.25; butcher cows and heifers $3.25 to $11; feeder steers steady at $5 to $8; veal calves $9 to $11.50; fat lambs $12.75 to $14.25 and feeding lambs $11 to $13.25.

Potatoes slightly weaker in Chicago; steady to firm in other leading markets. Maine sacked Cobblers $1.50 to $1.55 per 100 pounds in Baltimore and Pittsburgh; bulk Cobblers $1.15 to $1.25 in New York. New York domestic round type cabbage ranged $10 to $20 bulk per ton in leading eastern cities; $7 to $9 f.o.b. Rochester. New York yellow varieties of onions closed mostly around $1.75 sacked per 100 pounds, top of $2 in Boston; $1.40 to $1.60 f.o.b. Rochester. New York Elberta peaches declined 25¢ to $1, bringing $1.25 to $2 per bushel basket in consuming centers; $1.50 to $1.60 Rochester. York Imperials $4.50 to $5 in Philadelphia few at $4 f.o.b. Martinsburg, Va. Illinois and Missouri Jonathans $7.50 to $8 in Chicago.

Closing prices on 92 score butter: New York 38¢; Chicago 37 1/2¢; Philadelphia 39¢; Boston 38¢.

Grain prices quoted October 8: No. 1 dark northern spring Minneapolis $1.49 1/2 to $1.68 1/2. No. 2 red winter wheat St. Louis $1.56 to $1.59 1/2. No. 2 hard winter Chicago $1.47 3/4 to $1.50 3/4; St. Louis $1.47; No. 2 mixed corn Chicago $1.14 to $1.14 3/4; Minneapolis $1.08 1/4 to $1.09. No. 2 yellow corn Chicago $1.14 1/2 to $1.16; Minneapolis $1.12 1/4 to $1.13 1/4. No. 3 yellow corn Chicago $1.13 to $1.14 1/2; Minneapolis $1.11 1/4 to $1.11 3/4; St. Louis $1.15. No. 3 white corn Chicago $1.12 1/2 to $1.13 1/2; St. Louis $1.14. No. 3 white oats Chicago 53 to 54¢; Minneapolis 50¢; St. Louis 54 to 54 1/2¢.

Spot cotton down 152 points, closing at 23.78¢ per lb. New York October future contracts down 131 points, closing at 24.81¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Oct. 8,	Oct. 7,	Oct. 8, 1923
20 Industrials	102.06	102.38	88.56
20 R.R. stocks	88.26	88.31	80.71

(Wall St. Jour., Oct. 9)

DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XV, no. 9 Section 1 October 10, 1924.

Rail Embargo on Juice Grapes for New York

The New York Times to-day states that on account of the slowness with which the consignees have been unloading juice grapes destined for New York, and the embargoes which have been placed on the grapes in other cities of the country, the car service division of the American Railway Association has declared an embargo on this product coming to the New York market. The business of handling juice grapes has grown so rapidly in the past few years that the railroads are having considerable difficulty handling it, and when they failed to get the proper assistance from the men who were receiving the grapes had to declare an embargo, it was said yesterday. Embargoes on juice grapes have already been declared in Pittsburgh, Buffalo, Rochester and a number of other large cities throughout the country. One result of this has been for the growers in California to divert to this city the shipments which were going to these cities, thus flooding the yards. Estimates made yesterday were that there were 1,258 car loadings of grapes, with about twenty tons to the car, within a short distance of New York, in addition to the 912 car loads in the yards across the river from New York City.

Canadian Cotton Mills

A Montreal dispatch to the press to-day states that Canadian cotton textile mills are now operating at about 75 per cent of capacity. This compares with a rate of below 50 per cent for the last eight months. The recent break in the raw cotton market enabled them to purchase heavy supplies near the 21-cent level and to reduce their price lists from 10 to 18 per cent. This has resulted in a heavy demand from latent buyers.

The German Loan

An editorial on the German Loan in The New York Times today says in part: "It would scarcely have been possible for even a country with Germany's immense resources to have placed a loan on the terms proposed, or perhaps on any terms, at the time of its financial chaos exactly a year ago. But the recovery of Germany during 1924 from that seemingly hopeless situation; the introduction, in the space of two or three months, of a stable currency; the arresting even of the paper mark's depreciation; the swing from an import surplus to an export surplus in foreign trade, and the replacing of Ministries with utterly unsound and visionary conceptions of finance by a Government with a sure and firm grasp on economic realities -- this extraordinary change amounts in itself to a wholesome political revolution. We shall hear much of these varying aspects of the German loan when it makes its formal appearance. When all is said, however, the supremely important consideration will be its part in rendering effective the plan to settle the reparations dispute, terminate the long postwar feud on the Continent and open up a period of economic recovery throughout Europe."

Section 2

Agricultural Problem

An editorial in The Country Gentleman for October 11, referring to three interviews in this issue on the agricultural problem given by, respectively, John W. Davis, Charles G. Dawes and Robert M. LaFollette, says: "The candidates of the two old parties and the new one have their eyes firmly fixed on the so-called farm vote as the deciding factor in the election. In the past few months all of them have pledged farm-relief measures of one sort and another, until the farmer's head reels in the confusion of divergent remedies. It is for this reason that The Country Gentleman has assembled in this one issue statements from Senator La Follette, Brigadier General Dawes and Mr. John W. Davis. Here, under one roof, so to speak, are Republican, Democratic and the Third Party arguments why each one believes it should be chosen to lead the American farmers out of the winderness and into the Promised Land of prosperity. It should be explained, perhaps, that General Dawes was asked to present the case for the Republican Party because Country Gentleman readers were made familiar with the views of President Coolidge in an exclusive interview published some months ago. What do the three offer? Briefly: Senator La Follette would relieve the American farmer by the annihilation of monopolies. Mr. Davis would lower the tariff, let down the bars of foreign trade, reduce freight rates, and give easier credits. General Dawes would study the causes of agricultural depression by means of a commission as impartial as was his own committee on German reparations, and let the commission say what must be done for the farmer. It is all good campaign material -- all old, all tried and true, from the cry of 'Wolf! Wolf! Wall Street will get you,' down to the investigating committee which, if it runs true to form, will fill volumes with facts and figures and make vague recommendations. And meantime one-third of our farmers will continue to make money each year as they always do; one-third will continue to break even; and one-third will fail, also as they always do. The proportion is the same in the grocery trade and in every other line of business. ..."

Butter Substitutes

An editorial in The Wisconsin Agriculturist for October 4 says: "Out in the State of Washington members of the Grange are fighting the manufacturers of butter substitutes, in the endeavor to protect the dairy industry of that State from injury through the manufacture and sale of vegetable oil products. Last year the legislature of Washington passed a law prohibiting the use of milk or milk products in the manufacture of any butter substitutes made from vegetable oils. The opponents of the bill put through a referendum which carries the question up to the voters at the coming election. The butter substitute manufacturers are spending large sums of money to defeat the measure and what its outcome means to the dairymen of that State will be understood from the following figures: At the present time over 4,000,000 pounds of butter substitutes are sold in Washington annually and it would require 20,000 cows to supply an equal amount of butter; consequently that number of cows are put out of business, and kept out, by the sale of butter substitutes, with all feed business and other lines of industry dependent upon the keeping of cows, alfalfa growing being especially involved, inasmuch as it is figured that the crop from 20,000 acres of alfalfa land would be annually necessary to

feed 20,000 dairy cows. It is further estimated that such loss to the dairy industry of Washington costs that State $800,000 in taxes every year, which would be brought in if the butter substitutes now consumed in the State were replaced by the use of real butter. It is this important economic side of the question that has so thoroughly aroused the Grange people of Washington, and all branches of the organization, headed by the State Grange and backed by subordinates in every section, are mobilizing their efforts to secure a verdict at the polls upholding the 'pure butter law' passed by the legislature. State after State is joining the procession against the coconut cow and when farmers are well organized as they are in Washington it is not difficult to convince the people that a State's prosperity rests more secure on a dairy cow foundation than it ever will on a base built of substitutes and counterfeit."

Chicago to Gulf Waterway

The Chicago Journal of Commerce for October 8 states that Chicago and Illinois, in cooperation with St. Louis, New Orleans and other cities of the South, launched a campaign on Monday night for the immediate completion of the Chicago-to-the-Gulf waterway. More than 3,000 supporters of the waterway attended a meeting arranged by former Mayor Thompson and city and State officials to start the project.

Cotton Pool in Illinois

The Prairie Farmer for October 4 says: "The Illinois Cotton Growers' Cooperative Association has been incorporated under the Illinois cooperative law and is ready to market this year's crop. Fifteen hundred acres of cotton have been signed up. The association will operate on the standard pooling plan. In putting its selling on a cooperative basis, Illinois cotton growers have set an example that should be followed by wheat growers."

Cotton Price

Theo. H. Price says in Commerce and Finance for October 8: "Cotton advanced about a cent a pound last week. Then it lost most of the advance. As compared with many previous weeks in the recent past, the range covered is not wide. The relative steadiness is gratifying. It is to be hoped it may continue. Some who seek an explanation for it say that at between 25 and 26 cents cotton is selling at its intrinsic value. This theory finds support in the fact that some agricultural experts claim that the present cost of production plus a fair profit is somewhere between 25 and 26 cents. Of course no one can accurately determine the intrinsic value of cotton or the cost of production, but if upon the average they both approximate 25 cents, then the present price level is an ideal one. If it could be made permanent we are sure that the producers as well as the manufacturers would be benefited and we suggest that some of the statesmen who are always trying to advance the value of cotton should devote themselves to stabilizing prices instead. We are sure they would render a very great service to their constituents as well as to the world's trade as a whole."

Distribution

An editorial in American Agriculturist for October 4 says: "The more one thinks of it, the more it is plain that the farmer's great economic trouble is that of distribution. There never is an

overproduction of food as far as the whole world is concerned, for always there are people who do not have enough. In other words, there never would be any surplus nor any glutted market if there were proper and ideal distribution. People and cities are constantly increasing, so that there is going to be more and more demand from the standpoint of the whole Nation and of the whole world for everything that the decreasing number of farmers can produce. But until the problem of distribution is solved, farmers will never get the benefit of the full Nation and world demand for their products, unless they can figure out some way of curtailing their production. Eugene H. Grubb, one of the best authorities on farm conditions in the world, says that we are cultivating too much land in America. He thinks that we should permit 25 per cent of our tilled fields to go back to pasture or woods. For a generation farmers of America not only have been practicing giving away the labor of their wives and children in the too low prices which they receive for their products, but they have also been exhausting the fertility of the land at a very rapid rate. It has been suggested that the remedy lies in national organization, an organization, for instance, like the Federated Fruit Growers, who ship potatoes or apples to New York when there is a glut in Philadelphia or some other city, and who ship those products to Philadelphia when there is a glut in New York. No individual farmer is equipped to do this. Neither can a small organization do it, unless it is federated with others of the same kind, because without agreement these competing organizations will put the same products into the same city at the same time, and cause a glut. There has been a good deal of nonsense preached of late years about the wonders that cooperatives would be able to do. But thinking farmers have come to realize that the better cooperatives, those with good business management, have been able to accomplish at least some results on the great problem of distribution by the better merchandising of the products and in getting them on the right market at the right time."

Exports and Imports

An editorial in Pennsylvania Farmer for October 4 says: "Seventy years ago agricultural products composed zbout eighty-one per cent of the value of all exports from this country. Last year they composed but a little over forty-six per cent. On the other hand, imported agricultural products made up only twenty-nine per cent of the imports in 1854 while fifty per cent of all the imports last year were of agricultural products. Most of the industrial development of this country has occurred during that period and it has changed the character of the Nation's business so that the proportion of people engaged in the industries and in agriculture is about three to one instead of one to three, as was the case at that time. The people, through their Government, fostered the development of industry by favorable legislation. The same attention has not been accorded agriculture and farmers are, economically, in a subordinate position to-day because of it. The legislation which has made possible the phenomenal development of industry has not brought the same results to agriculture. The investigation which the commission proposed by the President is to make should go into the subject from this angle and suggest some plan by which the price received for exported agricultural products shall not set the price for the home market. Under present laws and practices the

limitation of production to meet the needs of our own people will not raise the price sufficiently, because the imports of foodstuffs would at once be increased to an amount sufficient to set the price of home products on the home markets. Past experience bears out this belief."

Foreign Trade

Foreign merchandise re-exported from the United States in the fiscal year just ended exceeds in value that of any year since 1921 and is more than double in value that of any year preceding the war. It totaled, says the Trade Record of The National City Bank of New York, $87,589,000 in the fiscal year 1924 against $70,051,000 in 1923 and an average of about $35,000,000 a year prior to the World War. Our next-door neighbors, notably Canada, Mexico, Cuba, and Central America, are large customers for the foreign merchandise which we bring into the country and send out again. The total of foreign merchandise re-exported in the latest year for which details are available was to Canada about $23,000,000, Mexico approximately $4,000,000, Cuba nearly $4,000,000, and to South America over $2,000,000. England also took from us over $8,000,000 worth of foreign merchandise in the year in question, including meats, hides and skins, furs, fruits, tobacco and silk. France also took of our re-exportations about $5,000,000 worth, Germany another $5,000,000, and other European countries took limited quantities. The total value of foreign merchandise re-exported from the United States since 1900 is about $2,000,000,000.

Education and Marketing

An editorial in Sioux City Live Stock Record for October 6 says: "There is no such thing as denying that a sentiment is arising in favor of more market men and fewer college professors in the judging rings in livestock shows. This is not intended as reflecting upon the college man. He has the theory that should apply in going over the animal and forming conclusions in the show ring. But he has not the practical experience of the man who is on the market every day and is called to the carpet and shown the killing sheets, which is the final test as to the superior worth of an animal. The theory of the class room is right, it is a big help to the market man, but the market man has a little the advantage in that he knows by experience how to judge the yielding quality of the live animal, and this the class room does not give. Assuming that the boy from the class room brings with his sheepskin a goodly invoice of common sense he is better qualified to make a market man than is the young fellow who has no college theory in his system, but the class room and theory do not make him a market man."

Over-Production

An editorial in The Southern Cultivator for October 1 says: " ... We publish an article .. taking the position that there is no 'over-production,' but our trouble lies in the fact that our working people can not earn enough to buy what they need, so that we have 'under-consumption.' We can not see any real distinction between 'over-production' and 'under-consumption' as results are practically the same. While we hope for amelioration through better legislation and a Government that will try to help the masses, still as we see it, the remedy lies in a more general application of the laws of thrift. ..."

Section 3

MARKET QUOTATIONS

Farm Products

Oct. 9: - Bulk Green Mountains $1.25 to $1.30 in New York; 65¢ f.o.b. Presque Isle. Maine. New York sacked Round Whites $1.45 to $1.50 in Pittsburgh; $1.05 f.o.b. Rochester. New York domestic round type cabbage $4 lower in New York, nearly steady elsewhere ranging mostly $12 to $16 bulk per ton; $7 to $9 f.o.b. Rochester. Midwestern yellow onions $1.25 to $2 in city markets; $1.50 f.o.b. West Michigan points. New York Elberta peaches generally 50¢ to $1 lower closing at $1.25 to $2 per bushel basket in consuming centers; storage stock $1.65 f.o.b. Rochester. Illinois and Missouri Jonathan apples steady to firm at $7.50 to $8 per barrel in Chicago.

Closing prices on 92 score butter: New York 38 3/4¢; Chicago 37 1/2¢; Philadelphia 39 1/2¢; Boston 38 1/2¢.

Chicago hog prices closed at $11.65 for the top and $10.70 to $11.50 for the bulk. Medium and good beef steers $7.10 to $11.35; butcher cows and heifers steady at $3.25 to $11; feeder steers steady at $5 to $7.85; light and medium weight veal calves $9 to $11.25; fat lambs $12.75 to $14.25 and feeding lambs $11 to $13.35.

Grain prices quoted Oct. 9: No. 1 dark northern spring Minneapolis $1.48 to $1.68. No. 2 red winter wheat St. Louis $1.55 to $1.57; Kansas City $1.54. No. 2 hard winter Chicago $1.50 to $1.52; Kansas City $1.41 to $1.48. No. 2 mixed corn Chicago $1.14 1/2 to $1.15 1/2; Minneapolis $1.09 1/2 to $1.10 1/2; Kansas City $1.09. No. 2 yellow corn Chicago $1.14 3/4 to $1.16; Minneapolis $1.14 1/2; Kansas City $1.13. No. 3 yellow corn Chicago $1.13 1/2 to $1.14 1/2; Minneapolis $1.13 1/2; St. Louis $1.16 to $1.17. No. 2 white corn Kansas City $1.11. No. 3 white corn Chicago $1.13 to $1.13 1/2; St. Louis $1.17. No. 3 white oats Chicago 53 to 54 1/2¢; Minneapolis 49 3/8 to 49 5/8¢; St. Louis 55 to 55 1/4¢; Kansas City 53 1/2 to 54¢.

Spot cotton down 28 points, closing at 23.50¢ per lb. New York October future contracts down 20 points, closing at 24.61¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Oct. 9,	Oct. 8,	Oct. 9, 1923
20 Industrials	102.60	102.06	88.06
20 R.R. stocks	88.48	888.26	80.32

(Wall St. Jour., Oct. 10)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XV, no. 10 Section 1 October 11, 1924

Agricultural Situation

Louis J. Taber, of Columbus, Ohio, master of the national Grange, who visited the White House yesterday, said: "The agricultural situation is improving. This is particularly the case in the one-crop section, although the dairy situation is still somewhat behind. The farmers are seeing a little light around the corner and it would be a crime to inject the proposed commission into politics."

Radio Conference

The third national radio conference completed its sessions at Washington October 10, submitting a report with recommendations to Herbert Hoover, Secretary of Commerce, declaring it as "unalterably opposed to any monopoly in broadcasting" and suggesting that national broadcasting through inter-connecting stations be extended, that the power of stations be increased, especially those which give people in country districts who own small receiving sets the same information as is available by radio to dwellers in the larger cities, and that experimentation be permitted under strict limitation to determine whether proposed superpower broadcasting stations can be operated without interfering with the existing system. (Press, Oct. 11)

Packers' Profits

Glenn Griswold, Chicago correspondent of The Philadelphia Ledger, in to-day's issue says: "While every indication points to an excellent year for the Chicago packing houses, none of their officials will yet admit they expect large profits. The men who run the meat concerns declare that high prices do not necessarily mean large earnings. Nevertheless, in circles outside the packing houses it is generally believed 1924 profits will go far to establish the 'Big Four' on a strong financial foundation, an opportunity they have not had in three years."

Food Costs

Increases in retail food prices in the month ended September 15, ranging up to 3 per cent, were shown in all but one of twenty-one cities for which figures were announced October 10 by Bur. Labor Statistics of the Department of Labor. Butte, Mont., with a decrease of 1 per cent, was the only exception to the general increase, in which Bridgeport, Conn., Mobile, Ala., and New Haven, Conn., showed the maximum of 3 per cent.

The German Loan

A London dispatch to the press to-day states that the negotiations for a loan of 800,000,000 gold marks to the German Government, provided for by the Dawes reparations plan, were successfully concluded yesterday afternoon and the loan will be put on the financial markets of nine countries, including Germany, within a few days. More than half of the entire loan, $110,000,000, is to be raised in the United States.

Section 2

Business Conditions and Agriculture

The declaration of principles adopted at the fiftieth annual convention of the American Bankers Association at Chicago were in part as follows: "The present convention of the American Bankers Association ... marks the completion of half a century of organized activity on the part of this association. ... As we survey the situation, we believe there are many sound reasons for a cheerful view regarding existing general financial and economic conditions in the United States, and there is comparatively little in the present situation to create apprehension as to the future progress of trade and industry throughout the country. Financial conditions throughout the entire country are exceptionally strong. The total of savings deposits reported by banks throughout the United States was over twenty billion dollars on June 30 of this year. Interest rates have reached an exceptionally low level, reflecting the plethora of available funds in the banks. In no period since the war has greater progress in the return to normal business conditions been made by industry, commerce and finance than during the past year. The economic structure as it now stands may be accepted by business men as constituting in the main the conditions under which they should expect to work for some time to come. ... The farmer, like any other business man, is dependent for his success and prosperity upon his own abilities and efforts and on conditions in the markets in which he works. The past year has given a notable demonstration of these facts. Sound farm finance and efficient agricultural methods, coupled with an improved world market, have helped to solve the agricultural problem. We believe that there is no more justification for Government paternalism for the farmers than for any class of business men. It is gratifying to note how far the logic of events has refuted the sophistries of opportunist politicians. The farmer is seen once more, and sees himself, as a business man and a capitalist of a particularly high type of individual initiative who does not want aid from the public treasury under whatever guise it may be proposed. We approve the various efforts to bring about the orderly marketing of crops and express our belief in the efficiency of cooperative marketing associations when properly organized and managed. We take this occasion to point out that as we become more and more industrialized we shall at the same time depend less and less upon foreign markets for the disposal of our agricultural products. It is very evident that in a comparatively short time our own population will consume not only all we grow ourselves, but will even be compelled to import certain of those commodities which at the present moment we export." (Press statement A. B. Assoc., Oct. 10)

Butter Surplus

Referring to the present surplus of butter on the market, an editorial in The Pacific Dairy Review for October 2 says: "...Several years ago a similar situation presented itself in the egg business. The cold storage houses were bulging with eggs and the hens persisted in their daily output. Then the trade got busy. It put on an advertising campaign emphasizing the cheapness and food value of eggs and soon the egg surplus disappeared. Such a campaign should now be put on in case of butter. Housekeepers should be thoroughly advised of two facts -- first, that butter is selling cheaply in comparison with

the past few years and, secondly, that it has a nutritive value superior to any article of food that enters into the human diet. Butter just now is selling all over the country at from ten to twelve cents per pound less than last year at this time. Consumers may know it, but few of them appreciate it. The fact should be pounded into them through a vigorous advertising campaign."

Canned Milk Export

Exports of American canned milk, which is now shipped to all parts of the world, showed a pronounced increase during the first half of 1924, according to a bulletin just published by the foreign commerce department of the Chamber of Commerce of the United States. This dairy product now ranks as America's twenty-fifth leading export. Exports of condensed, evaporated and powdered milk during the first half of 1924 were 20 per cent higher in value and 22 per cent greater in volume than during the corresponding six months of 1923. The United States shipped abroad 109,455,000 pounds of canned milk valued at $12,157,000 from January to June of this year as against 89,838,000 pounds, valued at $10,124,000 a year ago. The heaviest buyers are Cuba, Germany, Great Britain, Japan and the Philippines. Cheese is the principal dairy product among American imports, this commodity being fortieth in the list. During the first half of 1924 the United States imported 26,183,000 pounds of cheese valued at $7,877,000 compared with 24,006,000 pounds valued at $7,698,000, a gain in the quantity imported of 9.1 per cent and an increase in value of 2.3 per cent. Principal suppliers of cheese were Italy, Switzerland, France, Holland and Argentina. Other dairy products have not figured largely in either the export or import trade. (Ch. of Com. of U.S. press statement, Oct. 10)

Cooperative Marketing

An editorial in The American Fertilizer for October 4 says: "The cooperative marketing associations, which sprang up like magic in every part of the country, are not all prospering. It was not reasonable to expect that they would all succeed. An association that goes into court to compel its members to fulfil the contract they signed may have both law and equity on its side, but obviously its accomplishments are smaller than its promises. There is only one crop of wheat, or cotton, or potatoes annually, but the consumption is spread over the whole year. Some one must hold the crop from its maturity until the ultimate consumer is ready for it. If every farmer had sufficient working capital to do this there would be less need of cooperative marketing. But not one farmer in ten has sufficient capital, for which reason he is compelled to let someone else hold his crop for the months intervening before its final sale. This 'middleman' must be paid for the use of his capital, and the farmers usually think his charge is too high. The temptation of the cooperatives is to speculate on the goods which they handle, rather than to sell them in an orderly manner. The managers of several of the associations have guessed wrong about the trend of the market, with unfortunate results to their members. Then, no method of selling will bring uniform profits to the farmers year after year. In this respect farmers have been led to expect too much from the associations. It is too early to predict how many of these associations will survive. Probably a small proportion of them. But the successful ones will point the way to a better system of distribution, which is one of the great needs of the world at present."

Cotton

Daniel J. Sully, in a letter to the Manufacturers Record of October 9 writes: "I wired you that cotton this year would bull itself if the farmers would stand pat, and that there would not be twelve million bales of cotton. I am firmly convinced of this fact, and also of the fact that the world needs practically anywhere from thirteen to fourteen million bales of cotton, if it can be obtained, and the natural consequences would be that somebody has got to scramble for cotton. I also think that if you would look up the actual conditions, you would find that England and the European mills have sold their goods ahead, and have purchased the cotton to meet their requirements, and exports will be something stupendous this year, and the only ones who will get left, in my opinion, will be the American mills again, especially so those who will not see the conditions as they exist to-day." Manufacturers Record comments as follows: "The American mills did get badly left last year. They permitted Japan and Germany and other foreign countries to come into the American market and buy very heavily while American mills were holding off under the impression that they might be able to get lower prices. Even if the crop should be twelve million bales or a little more, which we doubt, every bale of it can be absorbed and at a good living price for the grower if he does not crowd his cotton to the market too rapidly as in former years."

Cotton in South Africa

African World for September 27 says: "Just as in the past -- and to a certain extent in the present -- South Africa has been principally associated with the production of gold, so in the future will it be chiefly associated with the production of cotton. The mineral wealth of a country is not inexhaustible, and Nature invariably provides for the gap made by the extinction of one industry by the provision of another. Not that South Africa's wonderful store of gold and diamonds has been seriously depleted, but as certain areas of production have been drained of their latent treasure, attention has been diverted to new spheres of activity and the possibilities of other sources of wealth. This has been all for the good of agricultural expansion, but it is only latterly that the tremendous potentialities of cotton have been receiving their proper meed of consideration."

Dairy Show

An editorial in The Wisconsin Agriculturist for October 11 says: "The 18th National Dairy Show, held last week, was really two shows, devoted to two great divisions of the industry. At the Wisconsin State Fair grounds were to be found the dairy cattle, the equipment and supplies used by the milk producer and practically all of the strictly educational exhibits. At the Milwaukee Auditorium, several miles from the fair grounds, was the collection of equipment and supplies used by distributors and factory men, who make the many products that come from milk. We have always felt that the greatest mission of the dairy show was to bring together the producer, the manufacturer and the consumer of dairy products, together with those who serve the great industry in various ways, so that all may know and understand each other better. We still believe that the show should be one great exhibition instead of a divided institution."

Farm Taxes

Glenn Griswold, Chicago correspondent of the Philadelphia Ledger, says in the issue for October 9: "The Farm Mortgage Bankers Association, which recently reaffirmed its opposition to the exemption of any bonds from general taxation, has compiled figures showing the effect of municipal extravagance, particularly on farm land The figures are fraught with interest to those students of agricultural affairs who have been seeking panaceas for the farmers' loss of income in recent years. 'Every dollar,' the association says in a bulletin just issued, 'added to annual farm taxes reduces the value of the farm more than $30.' It is pointed out that in many counties of the United States, taxes are $2 an acre higher than they were in 1913. That means an annual reduction in farm values of more than $60 on every acre in those counties. In hundreds of counties the taxes are $1 an acre higher in 1924 than in 1913. That causes a reduction in actual value of more than $30 an acre in those counties. Naturally, it is questioned how can this hypothesis be proved. The association anticipates this and, declaring it is easy, presents this explanation. 'Farm land has an actual value depending on the net income. The average net income on farm lands in the United States for fifty years is about 3 per cent. It takes more than $30 at 3 per cent to earn $1 a year. Hence an increase of taxes to the extent of $1 an acre reduces the actual value of the farm more than $30 an acre. The selling price in every community has not now been reduced by that amount, but the actual value will soon fix the selling price.'"

Ford Muscle Shoals Offer Assailed

An Atlantic City dispatch to the press of October 10 says: "Henry Ford's offer for Muscle Shoals and proposed Government operation of the property were vigorously assailed by Robert G. Gordon, a Louisville attorney before the American Electric Railway Association convention. He said Ford's offer was too low and Government operation was poor policy. 'With the exception of the acceptance of the Ford offer, I can think of nothing that would be more detrimental to the interest of this country in the matter than governmental ownership and operation,' Mr. Gordon said. 'The price offered by Mr. Ford for the purchase of the physical properties is ridiculously inadequate. The proposal to make fertilizer for the benefit of the farmer is conditioned upon the sale of it at a profit. Mr. Ford would own the plant and could not be compelled to manufacture and sell the fertilizer.'"

Freight Rates

Plans for a readjustment of the rate structure on packing house products, including hides and live cattle, moving between all the important packing centers in Central Western Trunk Lines and southwestern territories to Eastern Trunk Line and New England territories were recommended to the Interstate Commerce Commission Wednesday by Examiner F. C. Hillyer of the commission. (Press, Oct. 10.)

Section 3

MARKET QUOTATIONS

Farm Products

Oct. 10: - Chicago hog prices closed at $11.85 for the top and $10.90 to $11.50 for the bulk. Medium and good beef steers $7.10 to $11.45; butcher cows and heifers $3.15 to $11; feeder steers $4.75 to $7.85; light and medium weight veal calves $9 to $11.25 and fat lambs $12.75 to $14.25.

New York bulk Round White potatoes about steady at $1.20 per 100 pounds in New York, mostly around $1.05 f.o.b. Rochester. Maine bulk Green Mountains steady at $1.25 to $1.30 in New York; 65¢ f.o.b. Presque Isle. Eastern Shore Virginia yellow varieties of sweet potatoes weakened in leading markets to $3 to $4.25 per barrel. New York and midwestern yellow varieties of onions $1.50 to $2 sacked per 100 pounds in consuming centers; $1.40 to $1.50 f.o.b. Bushel baskets of New York Wealthy apples steady to firm at $1.35 to $1.75 in city markets; barreled stock weaker in New York at $4.50.

Grain prices quoted October 10: No. 2 red winter wheat Chicago $1.52 to $1.54; St. Louis $1.54 to $1.59; Kansas City $1.53. No. 2 hard winter Chicago $1.48 1/2; St. Louis $1.46 to $1.47; Kansas City $1.38 to $1.50. No. 2 mixed corn Chicago $1.14 1/2, Kansas City $1.09. No. 2 yellow corn Chicago $1.15 1/2; Kansas City $1.13. No. 3 yellow corn Chicago $1.13 1/2 to $1.14; St. Louis $1.16. No. 3 white corn Chicago $1.13 1/4 to $1.13 1/2¢; St. Louis $1.17. No. 3 white oats Chicago 52 1/2 to 53 3/4¢; St. Louis 54 to 55 1/4¢; Kansas City 52 1/2 to 53¢.

Closing prices on 92 score butter: New York 39¢; Chicago 37 1/2¢; Philadelphia 39 3/4¢; Boston 38 1/2¢.

Spot cotton down 2 points, closing at 23.48¢ per lb. New York October future contracts down 5 points, closing at 24.56¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Oct. 10,	Oct. 9,	Oct. 10, 1923
20 Industrials	101.38	102.60	87.54
20 R.R. stocks	87.66	88.48	79.76

(Wall St. Jour., Oct. 11)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XV, no. 11 Section 1 October 13, 1924.

Dawes Plan Seen as German Hope

A Chicago dispatch to the press to-day says: "Alanson B. Houghton, Ambassador to Germany, declared in Chicago October 12 that the Dawes plan alone stood between Germany and complete collapse. American farmers, business men and workers, especially in the Central and Western States, will greatly benefit if the $200,000,000 loan to Germany is floated, he said, as a considerable part of Germany's food supplies and necessities will be bought here."

Mills Buy Future Cotton

A New Orleans dispatch to the press to-day states that although domestic mills have not materially increased their takings of actual cotton, they have invested heavily in contracts and fixed prices on the recent declines. On the other hand, the foreign demand has been constant and persistent, with all available freight room engaged to the end of the calendar year and effort being made to contract for room well into the new year. For the moment, however, the weight of the crop, which has been coming into sight at a tremendous rate and causing stocks to pile up both at ports and interior towns, must of necessity be felt, notwithstanding the fact that producers who sold freely during the early portion of the season are beginning to hold back and resist lower prices, which they are able to do through the ready financial assistance that is being accorded them.

Canada Farmers' Profits

An Ottawa dispatch to the press to-day says: "Those who have been predicting that a smaller crop of wheat this year would mean greatly reduced buying power on the part of farmers of Western Canada are doomed to disappointment. Under the influence of soaring wheat prices, the western farmers are sure to buy much more heavily this year than for some time. With wheat touching as high as $1.60 in Winnipeg, growers will have far more money than they had from the record crop of 1923."

French Harvest Shortage

A dispatch to the press to-day states that the Journal des Debats of Paris estimates that the French harvest this season can not be reckoned on to produce more than 227,000,000 bushels, which would be 35,000,000 less than the harvest of 1923. It states that the North African harvests in the French colonies are so bad that production may not be sufficient for the home requirements of the population. For this reason, the Debats makes the estimate that France will have to buy from exporting countries this season, at least 87,000,000 bushels of wheat, as a cost of about $140,000,000.

Section 2

Grain Standardization

An editorial in The Price CCurrent-Grain Reporter for October 8 says: "Diversified farming is generally recognized as a good plan for the farmer, but in respect of varieties of grain it is not. There are entirely too many varieties, and agricultural colleges, experiment stations, departments of agriculture, etc., are now taking steps to standardize the different varieties best adapted to certain sections. As many as 246 varieties of wheat are known, and added to these are the multitude of other varieties of corn, oats, rye, and barley. Some of them are distinctly inferior quality, and the excuse for their continued use can only be that they have been grown for many years past. Grain dealers should cooperate in this campaign of variety standardization as it directly affects them in their business. Grading grain is the most important feature of the country dealer's work, and anything which will simplify it should be given every encouragement. It is very much easier to grade grain in a community where only a few varieties are raised than it is where there are many."

Production Costs

An editorial in The Iowa Homestead for October 2 says: "The biggest problem of the farmer is not one of marketing, as so many seem to think at the present time. It is one of production -- cost of production, if you please. Reducing the cost of production has the same effect upon the farmer's net income as raising the market price of the product he sells. While cutting the cost of producing a bushel of wheat 25 cents means the same to the farmer at the end of the year as raising its selling price to that extent, the former is much more desirable from a broad agricultural standpoint than the latter. The lower the price of wheat the more the public will consume thereof and consequently the greater the market demand for it will be. Second, the lower cost of growing a bushel of wheat the smaller the amount of capital needed to produce it. A great many farmers say that it is unreasonable to talk about lowering production costs when they are already working 12 to 16 hours a day. But it isn't the hours of labor which this farmer puts in that count so much as what he is laboring at....."

Raisin Crop Reduction

An editorial in The Pacific Dairy Review for September 25 says: ".....The latest plan that is being promulgated is to force every raisin grower to reduce his acreage of vines ten per cent during the next year. Having an iron-clad organization, the raisin growers should be able to put the scheme across. A feature of the raisin acreage reduction plan becomes a matter of interest to the dairymen. In California, where grape vines come out, alfalfa invariably goes in, and as alfalfa reaches the consumer invariably in the form of dairy products it appears that the dairy business will have to assume the troubles of the raisin growers. The dairymen, during the past few months have had some grumbling to do of their own. But in the movement of the raisin growers to curtail production there is an object lesson

for dairymen. We have reached the stage of excess production of dairy products, at least in their relation to the consumptive demand. Unless we manage to get increased consumption or a substantial export trade, the future for the dairy products markets is all but encouraging. Butter is 12 cents a pound less than last year at this time. Storage operators will not store next year at the price levels they have this year. What are we going to do about it? If every dairyman in the country would go through his herd and send ten per cent of his poorest cows to the butcher between now and next spring the trick would be turned. It would mean a ten per cent saving in labor, in feed and in other ways, so that the dairyman would barely miss any loss, while it would save the dairy industry as a whole from falling into the state of unprofitableness."

Road Building

The Florida Times-Union for October 6 says: "Practically every highway user will agree with the Plant City Courier's protest against road detours, many of which are unnecessary, and occasion road users very considerable inconvenience, delay and expense. The Courier says: 'There is not now, and never was, a valid excuse for a detour of several miles. It may cost a little more to finish a road as you go along than the old slipshod system costs, but it is worth it, and should be insisted upon'..... In the main, the Courier's criticism is justified. It ought to be heeded. There is neither sense nor reason in many road detours, especially those that are extended and over ground that is not in condition for vehicle traffic. It is true that highway contractors are entitled to some measure of convenience; so is the traveling public, and the latter ought to come first in consideration. That roads can be built, or be repaired, without being completely, or for extended distances, shut off from travel is proved by the railroads, that rebuild or repair their roads without extended tours, usually without any at all, and without interruption of traffic. Even railroad bridges are entirely rebuilt without trains being delayed or made to pass by way of detour tracks. Public road improvements can be made in very similar manner."

Sugar Tariff

Truman G. Palmer, sugar statistician and editor of Concerning Sugar, writes to Manufacturers Record of October as follows: "You ask me if I think the present duty of 1¼ cents on sugar is too high or too low or about right. That depends on the object in view. From the viewpoint of the 'tariff for revenue' advocate, the present duty is ideal. Of our total customs duties of $451,000,000 collected on all imports in 1922, $148,000,000 was derived from sugar. And, furthermore, not only do sugar imports yield one-third of our entire customs revenue, but as the duty is not high enough to induce much expansion of the home sugar industry, it will be a continuing and not a decreasing source of revenue. From the viewpoint of such of our

present domestic beet-sugar manufacturers as consider only their selfish interests, it also is not far out of the way, inasmuch as under normal conditions it affords most of them a fair measure of protection without increasing their competition through stimulating the erection of new factories. If the duty were lowered to say, 1½ cents, it would put our higher-cost domestic producers out of business and thereby expand the market for imported Cuban raw sugar, which is refined and marketed by our seaboard refiners. This is the reason why they are pressing for a reduction of the duty. A still lower rate of duty would put all the domestic producers out of business, destroy the market our farmers now have for sixty-five to one hundred million dollars' worth of beets and turn our entire sugar market over to the seaboard refiners and their allies in Cuba, thereby enabling them to fix at will the price of 110,000,000 people must pay for a staple food commodity. On the other hand, if the duty were increased to, say 2 cents per pound, 300 new factories would spring up all over the country, from five to seven hundred million dollars of American money thereby would be profitably employed, an annual market would be created for between two and three hundred million dollars' worth of American-grown beets and the three to four hundred million dollars which we now send abroad each year for sugar would be distributed among American sugar-beet farmers and sugar producers and the people they buy from throughout the United States. It naturally would put our seaboard refiners out of business. Being in favor of producing our sugar at home, I, of course, am in favor of a 2-cent rate of duty on sugar."

Texas Cotton Financing

A New York dispatch to the press of October 10 says: "Financing of a large percentage of the cotton crop handled by the Texas Farm Bureau Cotton Association again will be undertaken by a banking group headed by the Seaboard National Bank and Goldman, Sachs & Co., by means of a revolving credit not to exceed $10,000,000 at any one time, it was announced October 9. Banks in San Francisco, Chicago, Philadelphia, Providence, R. I., and Houston and Dallas, Tex., are members of the group. The association, which was financed last year in the same way. expects to handle more than 200,000 bales of this season's crop."

An editorial on this subject in The Journal of Commerce for October 11 says: "Announcement by the Seaboard Bank that it has arranged a credit in favor of the major part of the cotton handled by the Texas Farm Bureau Cotton Association renews a plan of financing the staple which reached a fairly considerable development a year ago. This particular credit is limited to $10,000,000, but there are a good many other advances of somewhat similar sort in the market at the present time, and the sum total represents a very sizable sum of money. From the renewal of the financing along this line it is fairly

to be inferred that the new method has become well rooted and is likely to be a permanent fixture from now onward. Subject to the safeguards which were thrown around this type of acceptance in last year's credit operations, the paper has apparently carried with it full assurance of safety and at least of reasonable liquidity. Whether it would do so on a declining cotton market to the full extent that is true on an advancing cotton market is a fair question, but there can be little doubt that the operation is in the technical sense 'safe' from the banking standpoint, while at the same time it undeniably gives the farmer access to the lowest rates which exist in the market. Under conditions which, like those of the present moment, afford a very low charge for money, the saving to the farmer as compared with the rate he would have to pay for accommodation in his own locality or region is considerable. It adds materially to the advantages in marketing which are offered by the cooperative association, although these have in some cases already been worth while. When with them can be combined a very material increase in efficiency and economy of financing the argument for the cooperative association is to that extent increased. City banks which thus arrange agricultural financing on a basis which gives the borrower the advantage of access to an economic market go far toward overcoming the silly prejudice which has existed in some parts of the country with respect to 'Wall Street finance.' They may also open up for themselves a very desirable field of good business."

Waterways

An editorial in Price-Current-Grain Reporter for October 8 says: "Both rail and water transportation have a place in the economic future of the United States, and everything possible should be done to further coordination of these two services. At present there is nothing but bickering from both sides of the controversy and nothing constructive is being done. The railroads can not long forestall the construction of waterways where there is an economic demand for them, and they would be pursuing a wiser course if they would take some action to coordinate their services with the present waterway system and plan constructively for future projects. On the other hand waterways should not be built as a political expediency but for a real economic demand. The grain trade is vitally interested in transportation, and particularly water transportation on account of the economy. Grain is a bulky commodity, fairly non-perishable, and can not bear a heavy freight charge. Water transportation with its lower rates therefore should be more generally used in this country for the movement of grain to market. The Government barge system on the Mississippi river from St. Louis to New Orleans has been a very important factor in moving grain for export, and the railroads now have joint rail-and-water rates for this service. When water projects of equal value are started it is hoped that the railroads will take steps to cooperate rather than to obstruct....."

Section 3

MARKET QUOTATIONS

Farm Products

For the week ended October 11:- Maine sacked Irish Cobbler potatoes $1.40 to $1.55 per 100 pounds in eastern markets. Bulk Green Mountains $1.25 to $.30 in New York; 50¢ to 60¢ f. o. b. Presque Isle. Cabbage $5 to $8 lower in New York and Pittsburgh, nearly steady elsewhere. New York domestic round type mostly $12 to $15 bulk per ton in eastern cities; $7 to $9 f. o. b. New York and midwestern yellow varieties of onions $1.75 to $2 sacked per 100 pounds in consuming centers; $1.40 to $1.70 f. o. b. Rochester. New York Elberta peaches declined 25¢ to 75¢ in leading markets to $1.25 to $2 per bushel basket. Illinois and Missouri Jonathans slightly stronger at $7 to $8 per barrel in midwestern markets.

In eastern wholesale fresh meat markets beef is weak to $1.50 lower; veal $1 to $3 lower; lamb and mutton weak to $1 off and pork loins $1 to $5 higher.

Butter markets about steady. Somewhat better feeling in markets due to export outlook. Production decreasing somewhat but still heavy compared with last year. Storage withdrawal fairly heavy. Closing prices, 92 score butter. New York 39¢; Chicago 37½¢; Philadelphia 39¾¢; Boston 38½¢.

Cheese markets weakened during week resulting in declines of about 1½¢ on Wisconsin Cheese Boards. Buying on a cautious basis and not much beyond immediate needs.

Closing prices at Wisconsin primary markets October 10: Single Daisies 19½¢; Double Daisies 19¼¢; Longhorns 20¢; Square Prints 20½¢.

Grain markets weaker. Wheat futures down sharply from high point on bearish Government reports and less active foreign demand. United States crop of 856,000,000 bushels slightly larger than expected. Corn market influenced by wheat but closed only fractionally lower than week ago. Oats down 4¢ on Government estimate of increased crop. Rye about 5½¢ lower account slackened foreign demand.

Average prices of Middling spot cotton in 10 designated spot markets declined 198 points during the week, closing at 23.12¢ per lb. New York October future contracts declined 215 points, closing at 24.20¢. (Prepared by Bu. of Agr. Econ.)

Industrials

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DAILY DIGEST

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Vol. XV, no. 12 Section 1 October 14, 1924.

Dawes Plan Terms Fulfilled

A Paris dispatch to the press to-day states that exactly nine months from the date of the first meeting of the Dawes expert committee for drafting a plan for the payment of reparations, all the conditions attached to that plan have been complied with and it stands as a legal obligation on Germany for the fulfillment of her debt to the allied and associated powers. This was announced by the Reparation Commission."

German Loan Consummated

The press to-day states that with the final indorsement of the Reparation Commission , received yesterday by cablegram at the offices of J. P. Morgan & Co., the legal steps looking to the flotation of America's share of the $200,000,000 German reconstruction loan were concluded, and the $110,000,000 of "German External Loan, 1924," bonds allotted to the United States were offered by the Morgan syndicate at 10 o'clock this morning. Offering of the portions allotted to Great Britain and the other participating nations were made virtually simultaneously.

LaFollette on Agriculture

A Kansas City dispatch to the press to-day states that opening his campaign in the corn and wheat belt at a meeting at Kansas City last night, Senator LaFollette appealed to the farmers, the workers and the business men to send him to the White House because the Republican and Democratic parties had failed to stop "the deflation plans of the great bankers," as a result of which agriculture four years ago "was prostrated by the most sudden price decline in the history of the world." Asserting that the decline in farm prices in 1920 was caused "by a conspiracy of bankers and Government officials," the candidate declared that the action of the Federal Reserve Board four years ago "wiped out" $20,000,000,000 of farm land values; that "$17,000,000,000 more were lost in the values of farm products"and that "more than 1,500 banks failed, more than 60,000 business houses were thrown into bankruptcy and 4,000,000 wage earners were thrown out of employment." Senator LaFollette drew a picture of a vast conspiracy aimed at the farmer, railroads being "the chief offenders" because of their freight rate increases. Bankers, too, were criticized as being responsible in a large measure for the farmers' plight. He lumped "exploiters" in a statement that, "the railroads of the country are interlaced with the packers, with the millers, with the commission men, with the grain pits and together they form an economic system ruled from Wall Street."

Ford Withdrawing Muscle Shoals Bid

Henry Ford is withdrawing his bid for Muscle Shoals, he states in an interview with Samuel Crowther in the current issue of Colliers Weekly, but will consider an offer from the Government.

Section 2

Canadian-Australian Treaty

The Grain Growers' Guide (Winnipeg) for October 8 says: "A treaty of reciprocity has been arranged between Canada and Australia, and has been accepted by the Australian parliament. According to a statement issued jointly by the Department of Trade and Commerce and the Department of Finance, at Ottawa, by the treaty Australia extends her British preferential tariff rates to certain manufactured goods of Canada and fish, and her intermediate tariff to other manufactured goods. Canada, in return, gives certain Australian goods the benefit of the British preferential tariff and the French treaty rates to Australian wines, brandy and champagnes. On the face it looks an innocent enough arrangement, but, unfortunately, the statement issued on behalf of the Government does not tell all that should be known about this treaty. What it does not say is of considerably more importance to the country, and to the farmers particularly, than what it does say. It does not say a word about raisins, and yet the most valuable concession made by Canada is in connection with raisins, and it was finely engineered by Hon. W. S. Fielding. Last year Mr. Fielding put through the House of Commons with the budget changes an amendment to the tariff act providing for a heavy increase of the general tariff on raisins, but the increase was not to come into force except by order-in-council, that form of government which was so vigorously condemned by Mr. King when in opposition. The present tariff on raisins and dried currants is: British preferential tariff ½ cent a pound; intermediate and general tariff 2/3 cent a pound. The change made by Mr. Fielding was: British preferential tariff, free; intermediate and general tariff 3 cents a pound. Mr. Fielding explained that this change was being made to provide for a trade treaty with Australia, and that without this special concession in raisins it would not be possible to arrange a trade treaty with the sister dominion. Presumably it is the intention of the Government to bring this change in the tariff into force by order-in-council, so that this treaty means a very substantial increase in the cost of raisins. For the fiscal year ended March 31, 1924, we imported 38,792,000 pounds of raisins, of which 35,690,194 pounds came from the United States, and 29,502 pounds from Australia. The other importations came principally from Spain, Turkey, Greece and the United Kingdom, and the smallest was from Greece, who sold us 96,251 pounds. Nearly all of this importation paid duty of 2/3 cent a pound. It is now proposed to allow the importation from Australia to come in free of duty while all other importations, with the usual exception of those from Great Britain, are to pay a duty of 3 cents a pound, an increase in the duty of 350 per cent..... It may be said that with this preference the

Australians will capture the Canadian market, and the price will then come down, and the trade will be kept in the family, so to speak. The truth is that if the whole production of raisins in Australia was shipped to Canada, leaving not a raisin for home consumption, it would fall short of the amount consumed in Canada by nearly 10,000,000 pounds. Australia simply can not begin to supply the demand in this country, consequently, any increase in the duty will most certainly raise the price. Premier King states that the tariff policy of his Government is to reduce the cost of living. This change means raising the cost of living, and almost wiping out the benefits of the reduction effected by the last budget."

Crop Yields

The Federal Reserve Bulletin for October says: "September forecasts of crop yields make possible an approximation of the agricultural output of 1924, and, when considered in connection with prevailing prices for farm products, furnish an indication of the return farmers will receive from this year's operations. Crop production taken as a whole promises to be in about the same volume as in the two preceding years and average prices at the farm this autumn have been considerably above the level of a year ago and as high as at any time in the past four years. Present estimates indicate larger yields than last year for most of the principal crops, except corn and tobacco, and in the case of wheat the increase in yield is particularly large in those sections where the crop was poor last year. The increase in the current income of the farmer arising from the larger yield and better prices has been reflected in improved financial and business conditions in the agricultural districts."

Wheat Price

An editorial in The Wall Street Journal of October 11 says: "A Brooklyn correspondent of the New York Times, who declares himself to be an eastern Pennsylvania farmer, protests that the price to which the grain trust has permitted wheat to climb does not cover the cost of production. He predicts that the present price will not long survive the selection and will not stay 'the abandonment of thousands of farms, following the sorrowful course of abandoned homesteads in New England and New York, which with a fair price for wheat could and should be restored to prosperity.' The citizen demands a Government guaranty of at least $2 a bushel for wheat, summing up the argument of a long and rather adroitly worded letter in these lines: 'The press of the country should inform consumers that the country is being starved, depressed and compelled to suspend cultivation of the fields because farmers do not receive fair prices for their wheat.' It is a familiar fact that for several decades the population of the United States has tended to shift

from the farms to the factories, the mines and the transportation services. Between 1900 and 1920 population increased, roughly 40 per cent, and the number of persons gainfully employed 43 per cent. Employment in agriculture meanwhile increased only 4 per cent, while that in manufactures and on the railroads more than doubled and miners increased by 70 per cent. But this Times reader may have overlooked the fact that, with an almost negligible increase in man-power, the farms have practically kept pace with the food requirements of the expanding population, the farm of output having increased during the period referred to by 38 per cent, according to the Census Bureau. The slight discrepancy between the ratio of increase in population and farm production may be attributed to better utilization and, to some slight extent, to imports. The facts pay a high tribute to the development of scientific farming, including the extensive substitution of machines for hand labor. In respect to wheat farming in particular, the eastern States have had to give way before the newer and stronger soils of the prairie States. General farming survives and prospers in Connecticut and Pennsylvania and New York where the farm owner has had the energy and the intelligence to adapt his operations to new conditions. Western farmers will not agree that at $1,50 wheat does not pay its production costs. They understand clearly that a fixed price, to guarantee prosperity to the producer of wheat or any other commodity, would in time break any government in the world, if it did not first break the supposed beneficiaries of such a scheme. To say that the country is being 'starved' because of the low price of wheat is to say that scarcity of a prime necessity depresses the price. This is something new in economics."

World Population and Food Problem

An editorial in the Washington Post of October 13 says."..... The latest scientific speculator upon the subject (future population of the world) is Prof. Albert Penck, the distinguished director of the Geographic Institute of the University of Berlin. After much research and calculation, he reports to the Prussian Academy of Sciences an estimate that the world will be populated to its full capacity in about three hundred years. At that time he reckons that its total population will be between eight and nine billions. That will be all that the world can support with food, so that then there will have to be either vastly destructive wars or stringent measures of birth control, to prevent further increase of the race. Seeing that the present population of the earth is fully 1,800,000,000, his estimate seems moderate. In the United States the normal increase until lately has been more than 3 per cent a year, at which rate Prof. Penck's figures would, of course, be enormously exceeded. Moderate, too, is his estimate of the capacity of the earth to support billions of people. If we reckon the habitable and arable area of the globe at 50,000,000 square miles, and the average supportable population at 200 to the square mile, we have a total of ten billions. And 200 is

probably a low estimate of the number of persons that, with scientific processes of land culture, could be maintained on a square mile. France, a self-sustaining country, has 187 to the square mile; Denmark has 220, Czechoslovakia 244, Italy 319 and Japan 339. Others, of course, have many more, such as Holland with 550, Belgium with 658, and England with 701; but they are compelled to get food from other lands. The remaining part of Prof. Penck's forecast appeals less strongly to reason...Basing his calculations upon the extent of arable land, he reckons that three centuries hence Africa will be the premier continent of the world, with 29 per cent of the entire population, and that South America will rank next, with 25 per cent, or as many as Europe and Asia combined; while North America will be almost negligible with only 14 per cent. We must confess that even on the simple basis of arable area we are unable to see how such results are obtained; and we must regard such a basis as entirely unsatisfactory and illusory, in view of the differences in quality and fecundity of 'arable land,' and the still greater differences in climate....."

Section 3

MARKET QUOTATIONS.

Farm Products

October 13; Maine Irish Cobbler potatoes sold at $1.35 to $1.45 sacked per 100 pounds in Philadelphia and Pittsburgh. Northern Round Whites $1.15 to $1.35 in Pittsburgh and Cincinnati; 70¢ to 90¢ carlot sales in Chicago; 65¢ to 80¢ f. o. b. Eastern Shore Virginia sweet potatoes, yellow varieties ranged $3 to $4 per barrel in city markets. New York domestic type cabbage mostly $10 to $12 bulk per ton, top of $20 in Cincinnati; $6 to $9 f. o. b. Danish type ranged $15 to $20. Virginia Jonathan apples sold at $4.50 to $5 per barrel in Philadelphia. Stayman Winesaps $4 to $5.

Chicago hog prices closed at $11.70 for the top and $10.70 to $11.40 for the bulk. Medium and good beef steers $7 to $11.45; feeder steers $4.65 to $7.75; veal calves $8.75 to $11 and fat lambs $12.50 to $14.

No grain, Dairy products or Cotton Marketgram on account of Columbus Day holidy. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XV, no. 13 Section 1 October 15, 1924.

Farm Loan Notes

Charles E. Lobdell, fiscal agent for the Farm Loan Board and Federal Intermediate Credit Banks, October 14 concluded the sale and delivery of $11,000,000 of a new issue of credit bank debuntures. The issue, making the second for this year's crop financing and regarded as two-thirds of the banks' needs, is for a six months' term and sold to yield the purchasers 3.25 per cent, the lowest rate of any securities sold by either the Credit or Farm Loan Banks. (Press, Oct. 15)

Reserve Bank Cuts Rate

The Federal Reserve Board granted the application of the Federal Reserve Bank of Minneapolis to establish a rediscount rate of 4 per cent. The new rate, which represents a reduction of one-half of 1 per cent and affecting all classes of paper, goes into effect to-day. (Press, Oct. 15.)

The German Loan

A New York dispatch to the press to-day states that American investors responded to the $110,000,000 German loan offering with subscriptions that swamped dealers and reached a total estimated at $1,000,000,000 to $1,500,000,000.

Wheat Pool for Australia

A Melbourne dispatch to the press to-day states that the legislative assembly October 14 passed a bill providing for a compulsory wheat pool. According to the latest estimates of the Australian wheat crop, the yield will be approximately 119,000,000 bushels, or about 4,000,000 bushels less than last year.

No Muscle Shoals Move by President

According to the press to-day, President Coolidge does not contemplate the appointment of any commission to take up the Muscle Shoals question, it was said yesterday at the White House in connection with the reported withdrawal of Henry Ford as a bidder for the properties.

French Wheat Crop

A Paris dispatch to the press to-day states that the French wheat crop, according to the semiofficial Temps, will be estimated at 76,840,000 quintals by the Ministry of Agriculture, which will publish the approximate crop figures shortly. The rye crop, it is said, will be given as 10,128,000 quintals.

Section 2

Dairy Advertising

An editorial in the Dairy Record for October 8 says: "If there is any industry which gives as much free advertising as the dairy business, we do not know what it is. We have already made some mention in these columns of the campaign of full page advertisements, pointing out the value of milk as food, being run in a number of the large magazines by the Metropolitan Life Insurance Company. Schools, welfare organizations, and women's club have also given publicity to the dietary value of dairy products, which could not be purchased at any price. Recently, the American Red Cross started a campaign to bring about the wider consumption of milk and milk products, and the National Child Welfare Association has been doing a very large amount of work for a similar purpose. But these are all national movements; they do not include similar work being done on a wide scale by strictly local organizations. For example, the Liberty Insurance Bank of Louisville, Ky., has been running a series of advertisements in the local newspapers, pointing out the value of dairy products as an article of diet, and their economic importance as a staple article of Kentucky commerce. That bank has not only paid for this publicity, but it has donated 71,000 reprints to dairy products manufacturers of Louisville for distribution. According to Mr. Carlton Ball, General Secretary of the Dairy Products Association of Kentucky, other banks throughout the State are planning to conduct similar campaigns. We occasionally hear of cooperative advertising campaigns being carried on by manufacturers and distributors of dairy products, but we question whether any of them have been as afficacious as the publicity conducted by unbiased agencies."

Farmer's Dollar

An editorial in Farm Implement News for October 9 says: "Official price index figures by which the position of agriculture with relation to other industries can be compared are always nearly a month behind hand; that is, the figures showing the situation at the end of a given month are not made public until the latter part of the following month. Earlier release probably is not possible on account of the great amount of work required to lick the data into shape. The farmer's position at the time to which the latest price figures applied (August 31) showed considerable improvement as was expected. They showed another substantial advance in the figure for farm products and a considerable further contraction in the spread between farm products and other commodities. Changes since the date to which these figures applied have been to the advantage of the farmer. One can realize this by noting the prices of grain during the past month. And the Department of Agriculture, always conservative, stated on September 30 that, 'the up-swing of agricultural prices during the past five months reflects the best sustained period of improvement since the war-time boom in the spring of 1917.' It added that wheat now has the same exchange value for

non-agricultural commodities that it had in 1913, and that the combined index of purchasing power of farm products had advanced from 74 to 90 in the five-month period ending with September. According to these figures the farmer's dollar is already at par so far as some of his products are concerned, and it has only ten points to go to make it worth 100 cents on all, in other words, to bring the purchasing power of farm products as a whole up to the pre-war normal. As things are going now the day of the par dollar for the farmer is not far off."

Grain Marketing Company

Referring to the unanimous condemnation of the Grain Marketing Company by the Illinois Agricultural Association, an editorial in The Prairie Farmer for October 11 says: "In making the investigation the services of best legal advisors, competent auditors, well-known economists, and grain experts were used. A study was made of the grain trade from Federal Trade Commission records and from other sources. Many of the essential facts which farmers want to know could not be secured from the merging companies. The action of the executive committee upholds the stand which Sam Thompson has maintained. The resolution clearly expresses the stand which the Illinois Agricultural Association has taken in behalf of its 63,000 members.....

"This should leave no room for doubt in the minds of the self-appointed directors of that company as to the reception they may expect when they approach Illinois farmers with the stock which they must sell. This resolution follows that of the Indiana Farm Bureau Federation, which was passed on July 30, and in which Indiana farmers were urged not to buy stock in the company. Up to this time none of the big grain-producing States of the Middle West have given an unqualified indorsement to the huge merger. The American Farm Bureau Federation passed a resolution giving its indorsement to the Grain Marketing Company. Sam Thompson of Illinois stood alone in refusing to indorse the merger. The directors voting in favor of the indorsement represent the following States: New Hampshire, Connecticut, Kansas, Iowa, Colorado, Utah, California, Maryland and Minnesota. It is rumored that the Iowa director has already accepted a place on the board of directors of the Grain Marketing Company. If so his vote was biased. The action of the grain-producing States in refusing to be stampeded into an indorsement of the merger indicates that they are watching out for their own interests. They are not ready to accept the dictation of the New England States or far western States, which are not primarily interested in marketing of grain. These States may be able to make the policies for the American Farm Bureau Federation, but the Grain Marketing Company can not be sold on their recommendations."

Hog Situation

An editorial in St. Louis Live Stock Reporter for October 10, quoting Chicago Drovers' Journal, says: "Government surveys last spring found a decided reduction in hog production. Evidently it is just showing up in marketing. Of course, there is a spring crop to be marketed this fall. The usual heavy fall runs will materialize, with their effect on prices depending on their size. This year, however, there are two influences that will work against burdensome supplies within a few weeks' time. One is soft corn. There is much of it to be fed, and gains are not likely to be as rapid as on better corn. The other is confidence in hogs. If it continues farmers generally will not be in a rush to sell. Some will plan to hold off until the larger fall runs are over. There is no room for complaint in regard to the demand for pork, either domestic or foreign, and supplies of pork products in storage are not burdensome. Of course, the story is not complete yet, nor will it be until the first of the year. But it appears that we are in the midst of a remarkable demonstration of the rapidity with which pork production responds to price changes. For three years hogs paid better than anything else, and there was a steady gain in production until the inevitable happened in record-breaking 1923-24 marketing. Corn prices moved up and hog prices down. Pork profits dwindled, and for most producers disappeared. Immediately sows were headed marketward and what is generally believed to be a big decline in production took place -- how big will be known by next January."

Sugar Data

An editorial in Facts About Sugar for October 11 says: "Correctly assuming that the most promising field for the expansion of sugar production in the United States is afforded by the sugar industry, the President asks the Tariff Commission to supply him with comparative figures showing the cost of producing beet sugar in the United States and cane sugar in Cuba for periods more recent than that of the six years 1917-1923 adopted by three members of the commission as the basis of their report. That he is not convinced that the six-year period provides a proper basis of comparison is indicated by his reference to the fact that the earlier years between 1917 and 1923 were marked by violent fluctuations in wages, land values, and prices. His remark that we settled upon the present economic plane in 1921, which is in agreement with the conclusion of statisticians and economists, appears to indicate an inclination to adopt relative production costs since that date on the basis of his decision, or at least to give special weight to the cost figures for this period. The President's desire to avoid any action that will hamper the agricultural development of the country or interfere with the progress of crop diversification is indicated by his request to the Secretary of Agriculture for an expression of opinion on the value of sugar beet cultivation in the promotion of crop diversification and the possibility under adequate protection

of a further expansion in the production of cane and beet sugar in the United States. In the public hearings before the Tariff Commission it was argued by representatives of the domestic sugar industry that in order to have a correct understanding of the relative costs of producing sugar in Cuba and the United States it was necessary to ascertain agricultural costs, that is, the actual expense of growing cane and beets, rather than merely the price paid to growers by the manufacturers, which is determined by the selling price of sugar. The commission disregarded this plea but the President apparently believes that there is merit in it; at least he asks for the results of the commission's investigation into the farm cost of growing sugar beets, an investigation that was made more than a year ago but the results of which have not been published. Another point of possible divergence between the President's line of thought and that followed by the members of the Tariff Commission who recommend a reduction of approximately 30 per cent in the import duty is suggested by his remarks on the use of average costs instead of bulk line costs and his request for a tabulation showing the proportions of the beet, Louisiana, Hawaiian and Porto Rican crops produced at a cost above the average figure. This question of average vs. bulk line costs is one that has been more extensively argued than any other relating to methods of handling cost figures. The weight of opinion among economists and statisticians leans heavily by the Tariff Commission itself in earlier investigations but was discarded by three members of the commission for average crop figures in the wheat and sugar cases."

Sugar Tariff

Referring to the proposed reduction of the sugar tariff, an editorial in The Trade Review for October 11 says: "Perhaps the most significant thing in the President's views on this question, is that this country's dependence on foreign sources for food supplies is very undesirable. This is emphasized by the statement that our island and domestic cane sugar production has about reached its maximum. The argument, for the time, for this one-half cent reduction in the sugar tariff, of course, is the wide spread saving to sugar users which means all the people, that this one-half cent reduction would make on millions of tons. On the other side of the question, there is the protection to American agriculture, the loss of import tax and the future effect on sugar prices to all consumers if we adopt a tariff policy that cripples our home production and makes us more and more dependent on outside markets. With many necessary and widely used raw materials, our Departments of Agriculture and Commerce are to-day giving attention to this thought of too much dependence on outside countries for these materials. We are by far the world's greatest users of a number of raw materials of which we produce practically none in this country and this self sustaining view point on these raw materials is being emphasized more and more."

Section 3

MARKET QUOTATIONS.

Farm Products

October 14: - Pennsylvania sacked Round White potatoes $1.50 to $1.60 in Philadelphia and Baltimore. New York domestic type cabbage mostly $10 to $14 bulk per ton. Danish type $15 to $20 in eastern markets; $10 to $12 f. o. b. Rochester. New York and midwestern yellow varieites of onions ranged $1.25 to $2 sacked per 100 pounds in consuming centers; $1.40 to $1.70 f. o. b. Rochester, N. Y. Pennsylvania Jonathan apples $1.75 to $2 per bushel basket. New York Wealthys $4.50 to $5.00 per barrel in New York and Philadelphia. Illinois Jonathans $7 to $7.25 in the Middle West.

Chicago hog prices closed at $1.60 for the top; bulk of sales $10.60 to $11.25; medium and good beef steers $7 to $11.45; butcher cows and heifers $3.15 to $11; feeder steers $4.65 to $7.75; light and medium weight veal calves $8.75 to $10.75; fat lambs $12.25 to $13.75 and feeding lambs $11 to $13.25.

Quoted October 14: No. 1 dark northern spring Minneapolis $1.45 to $1.65. No. 2 red winter wheat St. Louis $1.56 to $1.59; Kansas City $1.48 to $1.51. No. 3 red winter Chicago $1.51 1/2 to $1.53 1/2; No. 2 hard winter wheat Chicago $1.45 1/2 to $1.46 3/4; St. Louis $1.45 to $1.46; Kansas City $1.30 to $1.49. No. 2 mixed corn Chicago $1.13 to $1.14; Minneapolis $1.07 1/2 to $1.08 1/2; Kansas City $1.06 1/2 to $1.07. No. 2 yellow corn Chicago $1.13 3/4 to $1.15; Minneapolis $1.11 1/2. No. 3 yellow corn Chicago $1.12 1/2 to $1.13 1/2; Minneapolis $1.10 1/2; St. Louis $1.15 to $1.15 1/2; Kansas City $1.12. No. 2 white corn Kansas City $1.13. No. 3 white corn Chicago $1.12 to $1.13 1/2; St. Louis $1.15 to $1.16. No. 3 white oats Chicago 50 1/4 to 52¢; Minneapolis 46 7/8 to 47 1/8¢; St. Louis 53 to 54¢; Kansas City 51 1/2¢

Spot cotton down 82 points, closing at 22.30¢ per lb. New York. Oct. future contracts down 98 points, closing at 23.22¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Oct. 14,	Oct. 11	Oct. 13, 1923.
20 Industrials	99.18	101.33	87.13
20 R. R. stocks	86.12	87.65	79.19

(Wall St. Jour., Oct. 15.)

DAILY DIGEST

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Vol. XV, no. 14 Section 1 October 16, 1924.

Complaint on Hog Buying

The press to-day states that complaint was issued yesterday by the Packers and Stockyards administration against Armour and Company and Swift and Company, Chicago packers, alleging discrimination in the buying of hogs at Chicago.

Canada Opposed in Waterways Deal

Secretary Hughes has informed the Canadian Government, in a note communicated through the British Embassy, that the United States Government is not disposed to consider the power value of diversions from the waters of Lake Michigan without giving consideration to the power of similar diversions from Lake Erie and the Niagara River. The American note was communicated to the British Embassy on September 10, in connection with the framing of instructions to the joint board of engineers for the investigation of the proposed St. Lawrence waterway project, but was not released for publication until last evening. (Press Oct. 16)

Italy Creates Food Office

An Associated Press dispatch from Rome to-day states that in order to combat the high cost of living in Italy, the Cabinet, October 15, decided to create a central food office and to prohibit the export of yellow maize until Dec. 31, except on licenses issued by the Ministry of Finance. It has also decided that two, types of bread should be baked, one a "popular loaf" and the other a "loaf de luxe."

France Prepares to Recognize Russia

An Associated Press dispatch from Paris states that the French Government will on Friday formally recognize the Soviet Republic of Russia, according to information obtained in official circles October 15.

ZR-3 is German Reparation Credit to U. S.

The Associated Press October 16 says: "Approximately $2,200,000 will be credited as a German reparation payment to the United States when the ZR-3 formally is accepted by this Government. The air cruiser represents the American share of a special reparation against Germany because of the destruction after the armistice in the Friedrichshafen plant of six complete or partially complete war Zeppelins Germany had agreed to turn over to her late enemies. Upon inquiry by the United States the Council of Ambassadors in Paris in 1921 agreed to permit Germany to replace one ship as the portion of the United States, on condition it never should be used for military purposes."

Section 2

Agriculture

A Chicago dispatch to the press to-day says: "High prices for grain and hogs, with the latter the best since 1920, are creating a better feeling in all lines of Chicago trade and industry. Bright spots of last week included improvement in the steel industry, with the Chicago district getting a larger tonnage than Pittsburgh. This is the result of readjustment of prices, which is giving eastern mills the advantage to an extent that a number of eastern mills are reported seeking western locations and mergers of independent plants are rumored as a possibility to enable them to compete with the new order of conditions. A readjustment of freight rates is also regarded as necessary as a result of the elimination of the Pittsburgh Plus. Mills in the Chicago district are getting more tonnage for steel and pig iron, and are operating round 65 per cent of capacity....."

Canadian and Russian Wheat

"'A Montreal dispatch to the press of October 14 says: Loan or no loan from Great Britain, Russia will never again be Canada's rival as an exporter of wheat,' is the conclusion of Professor L.W. Lyde, who occupies the chair of geography in London University, after an intensive and exclusive study of Russia's future as a grain exporter. It is the Canadian opinion that it will be a long time before Russia will, if ever, have any such true economic exportable wheat surplus, as Canada is so rapidly increasing by decades, lustrums and years. But the opinion is based less on conditions in Russia than the low cost of Canadian land, disk-low-traction-power methods of cultivation by the square mile instead of the acre, in a veritable wilderness of cultivable, virgin soil, geographical position in relation to all markets, and the best modern system of transportation..... Professor Lyde says, with great authority, 'Russia unlike such lands as Rumania, Hungary, Canada, and Argentina, is not a natural exporter of wheat at all. It does not and can not supply properly its own needs. Even in 1913 over 80 per cent of the governments of Russia, covering over 90 per cent of the area of Russia, never had any normal surplus, and probably 75 per cent of the area had always a deficit. Export of wheat, therefore, was purely artificial, drawn not from a natural surplus, but from the needs of a very porr and ignorant peasantry.' Professor Lyde gives climate and over-population -- 72 to the square mile compared with only two in Canada -- as his reasons. 'Russian import trade can,' he states, 'do practically nothing to lighten her unemployment, and her export trade ought to be confined to flax and timber, of which she is a natural exporter. Before the Franco-Prussian war brought America effectively into the European market Russia had something of a monopoly. Russia now is a mere slave to the American grass lands. With such she can not compete in quantity or quality or even price; and she exercises no influence whatever on world food prices. Above all her total wheat and rye crops now are not sufficient to supply her own people with one pound of food per diem per caput."

for the marketing of the greater part of their product; that they would be saying, 'The price on this is so and so,' rather than 'What will you give me?'..... Cooperation must begin at the bottom and build up. To endeavor to develop it otherwise is as silly as to try to build a brick wall from the top to the ground. The individual consciousness is the place where the foundation of cooperative success must be laid. From there it must spread to communities; from communities to localities; from localities to districts; from districts to regions, and from regions to the country as a whole. So far the average farmer is not ready for real cooperation, however much he may believe himself to be. We have just read a letter from a reader in which he says he did not join the cattle association in his community because it would destroy his individuality. How many of us are really willing to make the sacrifice of this thing we call individuality? How many are ready to give up that priceless, yet worthless, thing we call personal liberty? Not many. And until we are ready to yield these things in return for the greater value which lies in concerted action we can get nowhere with cooperation."

Farm Credits

In announcing the sale of the new farm debentures October 14, Commissioner Cooper, of the Farm Loan Board, declared results thus far indicated that the credit banks had been able to relieve financial stringency in any section where they were called upon for help. Ample credit has been supplied to the farm cooperatives, he said, adding that he believed the banks would have no difficulty in caring for marketing needs this year. "A very gratifying and significant feature of this sale," Mr. Cooper continued, "was the purchase of $1,000,000 of the debentures of the Wichita Bank by a group of Kansas banks headed by J. R. Burrow, President of the Central National Bank of Topeka, Kan. This incident is significant in the fact that Kansas ordinarily is a high-rate territory, and that four years ago Kansas banks were strained to the limit, many of them paying the Federal Reserve Bank as high as 12 per cent for their borrowing because of the excessive amount; significant as to the fundamental strength of our agricultural districts."

Wool Prices

Glenn Griswold, Chicago correspondent of The Philadelphia Ledger, in the issue of October 15 says: "The current strength of the wool market is viewed with some sorrow by the farmer of the western country because he, speaking collectively, has not profited in the advance. The manufacturers who use this wool, on the other hand, are seeing an almost daily enhancement in their inventories. It is estimated by competent authority that only 10 per cent of the betterment in wool prices this year went to the grower, and further that of the approximately 254,000,000-pound clip this year only 5 per cent still remains in the farmers' hands. Manufacturers hold probably 60 per cent of the clip and speculators most of the remainder and are making big profits in their operations. It is unfortunate that the

farmer is not able to participate in the improvement in the wool situation because he held the bag when the deflation set in at the end of 1919. The reason he has not participated is that he was so heavily in debt because of past season's losses that as soon as the clip was in this year he sold in order to pay down on his loans. The country banks necessarily urged this course because they had carried the farmer for a long time and were anxious to liquidate some of these frozen credits. It is believed that before November 1 wool will be exactly even or above the level of four years ago for the first time, namely, 65 cents or better, for Ohio, and proportionately for other grades, all of which are participating in the rise."

World's Wheat Supply

An editorial in The Northwestern Miller for October 8 says: "Estimates of the world's supply of wheat are notoriously misleading, partly because accurate figures for many countries are absolutely unobtainable, and partly because mere quantitative estimates take no account of quality. Furthermore, the demands made on the wheat supply are profoundly affected by the availability of other crops, such as rye, barley and potatoes, and also on the economic status and mode of living of the people to whom, normally, wheat is the basic food. At the same time, with wheat prices everywhere determined by the relationship between world supply and demand, it is impossible not to give careful consideration to such estimates as are available. Using the reports of the International Institute of Agriculture and the governments of the principal wheat producing countries, and supplementing these with estimates based on such information as may reasonably be trusted, The Northwestern Miller has compiled figures, given in detail elsewhere in this issue, indicating that the 1924 wheat crop of the world, including the harvests of last January and February in the southern hemisphere, is in the neighborhood of 3,675,000,000 bushels, or 350,000,000 bushels short of the wheat crop of 1923..... As compared with the world's wheat crop of 1922, the 1924 production shows a loss of 120,000,000 bushels, decreases of 150,000,000 bushels in North America, 25,000,000 in Europe, 20,000,000 in Asia and 10,000,000 in Australasia being only partially offset by gains of 65,000,000 bushels in South America and 20,000,000 in Africa. The 1921 wheat crop was almost exactly equivalent to that of 1924, but its distribution gave Europe 195,000,000 bushels more than this year, Africa 20,000,000 more, and Australasia 25,000,000 more, the shortages in 1921 being in South America and Asia. Considering the fact that the world, and particularly Europe, is to-day unquestionably consuming more wheat per capita than it was in 1921, the present strong demand appears to have a sound basis in the facts of production, and to be likely to continue unless an unexpected change in the estimates for certain countries of the northern hemisphere, or abnormally large wheat crops in the southern, would materially alter the situation."

Section 3

MARKET QUOTATIONS.

Farm Products

October 15:- Chicago hog prices closed at $11.25 for the top and 10.60 to $11.25 for the bulk; medium and good beef steers $6.85 to $11.35; butcher cows and heifers $3.15 to $11; feeder steers $4.65 to $7.25; light and medium weight veal calves $8.25 to $10.50; fat lambs $12 to $13.50 and feeding lambs $11 to $13.25.

New York bulk Round White potatoes $1.10 to $1.20 per 100 pounds in New York and Philadelphia; sacked stock $1 to $1.05 f. o. b. Rochester. Northern sacked Round Whites $1.15 to $1.35 in a few markets; 80¢ to 95¢ carlot sales in Chicago and St. Louis; 65¢ to 70¢ f. o. b. New York domestic round type cabbage $9 to $15 bulk per ton in eastern cities; $6 to $8 f. o. b. Rochester. New York and midwestern yellow varieties of onions ranged $1.25 to $2 sacked per 100 pounds in consuming centers; $1.40 to $1.60 f. o. b. Rochester. Virginia and West Virginia Stayman Winesaps nearly steady at $4 to $4.50 in Philadelphia and Pittsburgh. Illinois Jonathans weakened slightly to $7 to $7.25 in the Middle West.

Closing wholesale prices on 92 score butter: New York 39 1/4¢; Chicago 37 3/4¢; Philadelphia 40¢; Boston 39¢.

Average grain prices quoted October 15: No. 2 red winter wheat Chicago $1.56; St. Louis $1.61; Kansas City $1.51 to $1.52. No. 2 hard winter Chicago $1.45 3/4 to $1.46 1/2; St. Louis $1.45 to $1.46; Kansas City $1.36 to $1.46. No. 2 mixed corn Chicago $1.14 1/4 to $1.14 1/2; No. 2 yellow corn Chicago $1.15 3/4; Kansas City $1.14. No. 3 yellow corn Chicago $1.13 1/2 to $1.14 1/2; St. Louis $1.15. No. 2 white corn Kansas City $1.14. No. 3 white corn Chicago $1.13 3/4; St. Louis $1.16. No. 3 white oats Chicago 50 1/2 to 52¢; St. Louis 53 1/2¢; No. 2 white corn Kansas City 51 1/2¢.

Spot cotton down 20 points, closing at 22.10¢ per lb. New York October future contracts down 7 points, closing at 23.15¢. (Prepared by Bu. Of Agr. Econ.)

Industrials and Railroads

Average closing price	Oct. 15	Oct. 14,	Oct. 15, 1923.
20 industrials	100.11	99.18	88.06
20 R. R. stocks	86.66	86.12	79.66

(Wall St. Jour., Oct. 16)

DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XV, no. 15 Section 1 October 17, 1924

Hog-Buying Charge

Answering the complaint of the Packers and Stockyards Administration against Armour and Company and Swift and Company in connection with buying hogs at Chicago, representatives of Armour and Company, in a statement yesterday, said the only instructions on the subject given to their hog buyers were that in so far as practicable they should purchase first-hand hogs, and not second-hand hogs, because recent results showed shrinkage on the second-hand hogs amounting in some instances to as much as nineteen pounds per head. (Press, Oct. 17)

Price-Fixing Legal Right

Price-fixing by the manufacturer is within his legal right under the ruling of the United States Supreme Court, Felix H. Levy, New York, former special counsel of the United States Department of Justice, told the convention of the American Hardware Association at Atlantic City, October 16. "It is lawful for the manufacturer to announce in any form he pleases..... a schedule of suggested resale prices, and if the customer does not observe such resale prices, then to refuse to deal with him further, but this is the limit of his right," he declared. (Press, Oct. 17)

German and Domestic Trade

An editorial in The Washington Post to-day says: "The over-subscriptions to the German loan, reported from New York, London, Stockholm, and even Paris, are evidence of the universal confidence of investors in the early recovery of Germany under the Dawes plan. The loan is the prelude to intense industrial activity in Germany. The governments of Europe are alive to the competition that Germany will offer, and are imposing protective tariffs to prevent the dumping of excessive amounts of German goods in their markets..... It is calculated by well-informed economists in Europe that Germans have about $1,500,000,000 invested abroad. This resource will enable German manufacturers to obtain all the raw materials they require. American visitors to Germany are surprised to find the country in such excellent condition. Industrial plants are not only large, but they are filled with the most up-to-date machinery and are operated with a skill and economy that may well warn competing countries of the struggle that is coming. German workers are not slackers. They work long hours for wages that are equivalent to 30 cents American money.....The threat of strong German competition is not vague, remote or imaginary, It is real and imminent. The defeated empire, reduced to dire straits, is bending all the energies of its industrious and ingenious people to recover German prestige and prosperity. Americans who formerly felt German competition in South America know only too well how difficult it is to hold markets against them. They are adepts in selling, and they always make two strong appeals for trade which Americans are not inclined to make. One is the readiness to manufacture any kind of inferior stuff that the market calls for.....The other inducement is long terms of payment....."

Section 2

Cotton

Theo. H. Price says in a review of the department cotton report in Commerce and Finance for October 15: "..... These figures are regarded as impressive because it is generally believed that the crop is a late one, and that it is hardly possible that more than one-third of it could have been ginned up to the beginning of October. Upon this theory spinners will probably adopt the hand-to-mouth policy that dry goods merchants have followed for so long. This hand-to-mouth policy has, in fact, become almost national in the United States. Followed to its logical conclusion it means that the business 'boom' will become a thing of the past. This is not to be regretted by anyone except the farmer, who is left to hold the bag and finds himself compelled to take the risks of the market for from six to eight months longer than formerly. It is true that those who raise grain and cotton might sell futures as the merchant does, but there are only a few farmers who can or will follow that course, and until some form of hedge or price insurance is provided for those who are engaged in agriculture the hand-to-mouth policy will bear unfairly upon them."

Cotton Foreign Market

The Wall Street Journal of October 16 says: "How much cotton will foreign countries take from the United States this season? Here is one of the biggest factors in the cotton market, as regards prices. Domestic consumption roughly approximates half the crop. The price, therefore, depends upon the market for the surplus. The foreign situation at present lends itself to some conflicting views. Foreign food and feed crops are considerably below those of last year and some cotton dealers take the view that on this account those countries will reduce their imports of cotton. If the deficiency in grain crops were serious it would be a natural assumption that other purchases would be subordinated to that of food supplies. But present conditions do not bear out the theory that Europe must refrain from buying raw materials in order to feed itself..... It must not be overlooked that world stocks of cotton and goods are small and Europe is gradually returning to normal conditions. Compared with a year ago there has been a considerable improvement in economic conditions in that part of the world. The Department of Agriculture is even now pointing out that employment conditions in France, Italy and the United Kingdom are improving, It also says that the putting of the Dawes plan in operation should stimulate German industry. An improvement in the economic condition of any country, not followed by a stimulation of demand for cotton would be an anomaly. If Europe's bankrupt,Germany, a great industrial country, is set on her feet as now seems likely, more cotton will be consumed by German spindles. If employment conditions in three of the greatest countries of Europe, aside from the bankrupt, are improving there must be more of a demand for the raw materials of industry of which cotton is a large part. The department also calls attention to Japan and says

that there should be no decrease in the consumption of cotton in that country. These facts justify a reasonable hope that our exports of cotton will be at least as large as they were a year ago, when they amounted to 5,656,000 bales of lint, or almost as much as was consumed in the United States. If there is any considerable improvement in foreign conditions a still larger proportion of our crops should go abroad."

Europe Asking Loans

Practically all of the large New York banks which do an international business have received requests for loans from European nations. These requests were said yesterday to come from governments and foreign railroads, hydroelectric concerns and industries. The avalanche of applications for loans and credits gained momentum on Tuesday, and yesterday it was estimated if only a part of the loans asked were to be met, the American investment market would be called on within very few months to place more than a billion dollars of bonds. Interior Europe leads in the number of potential borrowers, and it was learned that many bankers from Germany, Austria, Poland and other countries were planning to come to New York to discuss borrowing possibilities. Included in the line-up of likely borrowers were said to be a number of the larger German cities. To be prepared for this invasion of prospective borrowers the large New York banks have begun to strengthen their information services. (New York Times, Oct. 16)

Fertilizer Co-operation in Alabama

The Country Gentleman for October 18 says: "For the present crop year Alabama farmers bought more than 60,000 tons of fertilizer cooperatively through the State Farm Bureau. The money outlay was $1,800,000. It is not so much the magnitude of this cooperative deal that deserves notice as the fact that this method of doing business benefited both the farmers and the fertilizer companies. It was a cash proposition, with banks advancing the necessary money where farmers did not have it. The fertilizer companies were only too glad to make price cuts for cash. Too much paper in the past several years has almost wrecked the industry. They are anxious to get on a cash basis."

Lowden on Agriculture

An Associated Press dispatch October 16 says: "If the success of American agriculture depends upon the failure of crops either at home or abroad, it hangs by a very slender thread, Frank O. Lowden, former Governor of Illinois, said in an address October 15 before the Inland Daily Press Association. Because of improved conditions in the wheat belt and in those portions of the corn belt where the farmers have raised a normal crop, 'we are too prone to say that the farmer's troubles are over,' Mr. Lowden declared, pointing out that the better prices for wheat and corn were due principally to the virtually complete or partial failure of these crops in other sections. Cotton growers will get millions of dollars less for 13,000,000 bales than they would have received for 12,400,000 bales,

according to Mr. Lowden. He said the figures of the Department of Agriculture for the last two months showed that a 5 per cent increase in cotton production had caused a 20 per cent decrease in price. 'It will be better not only for agriculture, but better for the country, if we face the fact and admit that there is a real problem waiting for solution more important than any other domestic problem we have,' Mr. Lowden asserted. 'We are coming to recognize that we have a farm problem, which in itself is a decided gain, for when we admit its existence we already are on the way to its solution. The business and financial world underestimated the injury that American agriculture received. We may assume commercialized agriculture has come to stay. Agriculture, then, must conform to the economic laws and limitations which control the other portions of our commercial structure. One of these is that production must be adjusted to compensation. Only through organization can this result be achieved, because only through organization does progress come.....' In all other industries, Mr. Lowden continued, there has been a growing tendency to stabilize prices, and if the farmers are to put themselves upon terms of quality with the great industries of the country, they, too, must organize..... Those who oppose the principle of cooperative marketing, Mr. Lowden said, think that in some way the associations are seeking to avoid the operation of the law of supply and demand. 'Quite the reverse is true,' he said. 'The laws of supply and demand extending over a series of years, in fixing what the political economists call the normal price, still obtain. To fix the market price fairly, that law is effective only with free competition on both sides. There must be equality of understanding on the part of buyers and sellers before this law can operate successfully.'"

Tobacco Exports

Leaf tobacco stood fourth in value in the list of American export commodities and constituted four per cent of the total exports in the first six months of 1924, according to an analysis of America's world trade published in a bulletin issued by the foreign commerce department of the Chamber of Commerce of the United States. "During the first half of 1924 we shipped abroad 299,427,000 pounds of unmanufactured tobacco, valued at $32,136,000, an increase in quantity of 38.8% over the 215,670,000 pounds exported during the same period of 1923, and a gain of 21.2% in value, the 6-months' exports in 1923 being valued at $6[illegible],779,000," says the bulletin. The chief buyers of American leaf tobacco were Great Britain, China, Australia, and Germany, with the other principal European countries and Canada also taking large quantities. We also import considerable high-grade leaf tobacco for cigars and cigarettes. For the January-June period of 1924 two per cent of our imports consisted of leaf tobacco, that item being our tenth principal import. During the first half of this year our imports of manufactured tobacco totaled 33,332,000 pounds, valued at $37,272,000, a decline in the quantity imported a year ago, 36,663,000 pounds, of 9.1%, but

an increase of 8% in the value, $34,517,000. Our imports of cigar leaf came principally from Cuba, Holland, and Germany. Cigarette leaf was supplied by Greece, Germany, Italy, and Turkey. High among our chief exports came cigarettes, for which we have developed an excellent trade, chiefly in China and other parts of the Far East. We exported 17,482,000 pounds of cigarettes, valued at $10,653,000 during the first half of 1924, practically the same quantity as in 1923, although the value a year ago was $11,058,000. Our total imports of cigarettes, cigars, etc., amounted to less than $5,000,000 during the first half of 1924."

Wheat in 1925

An editorial in The Country Gentleman for October 18 says: "Reports from twenty-one wheat-producing countries that in 1923 produced more than 60 per cent of all the wheat grown in the world show a decreased production this year of 11.3 per cent. Even though next year produces a normal crop it will not have to go to the market in competition with a heavy carry-over. Wheat prices in 1925 should therefore be well above a dollar a bushel. The position of wheat will be further strengthened by a shortage and high prices of pork products. A year ago there was no hope in sight for the depressed wheat farmer. To-day the skies are cleared and the future appears very much brighter. A short-crop year can work marvels."

Wholesale Prices

Wholesale prices in September receded somewhat from the August level, according to information gathered in representative markets by the United States Department of Labor through the Bureau of Labor Statistics. The bureau's weighted index number, which includes 404 commodities or price series, declined to 148.8 for September, compared with 149.7 for August, and 153.7 for September, 1923. Decreases in farm products, clothing materials, fuels, and metals were responsible for the drop in the general price level. Among farm products there were substantial reductions in cattle, sheep, cotton, cottonseed, flaxseed, hay, hops, onions, and potatoes. These decreases, notwithstanding increases in grains, hogs, eggs, hides, and wool, caused the farm products price level to recede 1½ per cent. Of the 404 commodities or price series for which comparable data for August and September were collected, decreases were shown in 120 instances and increases in 125 instances. In 159 instances no change in price was reported. Comparing prices in September with those of a year ago, as measured by changes in the index number, the general level has decreased over 3 per cent. In all groups except foods and chemicals and drugs prices averaged lower than in September, 1923, ranging from less than one-half of 1 per cent in the case of farm products to 7½ per cent in the case of clothing materials and 11 per cent in the case of metals. (Press statement, Oct. 16)

Section 3

MARKET QUOTATIONS.

Farm Products

Oct. 16:- Grain prices: No. 1 dark northern spring wheat Minneapolis $1.48½ to $1.67 1/2. No. 2 red winter wheat St. Louis $1.62; Kansas City $1.53 to $1.56. No. 2 hard winter wheat St. Louis $1.47 to $1.48; Kansas City $1.39 to $1.54. No. 2 yellow corn Chicago $1.13 3/4 to $1.14 3/4; Minneapolis $1.07 3/4 to $1.08 1/4; Kansas City $1.12. No. 3 yellow corn Chicago $1.12 1/2 to $1.13 1/2; Minneapolis $1.06 to $1.07; St. Louis $1.13 1/2 to $1.14 1/2. No. 2 White Corn Kansas City $1.13. No. 3 white corn Chicago $1.12 3/4 to $1.14; St. Louis $1.14 to $1.14 1/2.

Closing wholesale prices on 92 score butter: New York 39 1/4¢; Philadelphia 40¢; Boston 39¢; Chicago 38¢.

Northern sacked round white potatoes $1.15 to $1.35 in a few cities; 75¢ to 90¢ carlot sales in Chicago; 60 to 70¢ f. o. b. Cabbage market generally slightly weaker. New York domestic round type mostly $10 to $12 bulk per ton in leading eastern cities, $6 to $7 f. o. b. Rochester. New York and mid-western yellow varieties of onions ranged $1.25 to $1.75 sacked per 100 lbs. in consuming centers; $1.40 to $1.60 f. o. b. Rochester and $1.30 to $1.40 at West Michigan Points. New York apples Rhode Island and Northwestern Greenings firm at $5 to $5.50 per bbl. in New York; $4.25 f. o. b. Rochester.

Chicago hog prices closed at $11 for the top and $9.75 to $10.75 for the bulk. Medium and good beef steers 35¢ lower to 10¢ higher at $6.85 to $11.45; butcher cows and heifers steady to 25¢ lower at $3.25 to $11; feeder steers 10 to 35¢ lower at $4.65 to $7.75.

Average price of Middling spot cotton in 10 designated spot markets advanced 47 points, closing at 22.57¢ per lb.

New York October future contracts advanced 27 points, closing at 23.42¢. (Prepared by Bur. Of Agr. Econ.)

Industrials and Railroads

Average closing price	Oct. 16,	Oct. 15,	Oct. 16, 1923.
20 industrials	100.16	100.11	86.91
20 R. R. Stocks	86.40	86.66	78.28

(Wall St. Jour., Oct. 17.)

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DAILY DIGEST

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Vol. XV, no. 16 Section 1 October 18, 1924.

Secretary Hughes Advises Direct Cabinet Aid in Congress

An Albany dispatch to the press to-day reports that Secretary of State Hughes, speaking on "Our Constitutional Heritage," last night at the convocation exercises at the University of the State of New York, declared "it ought to be possible for Cabinet officers to take part in the debates in both houses of Congress on matters touching their departments and thus to be able to give exact information and to defend themselves against unjust attacks. A vast amount of time now is wasted in the Congress over things that are not and never were. Under the present arrangement," he said, "a Cabinet officer often hears of misunderstandings, and an outpouring of mistaken notions, which a brief statement from him could have corrected, but the misapprehension has been voiced and has gone through the country, perhaps never to be overtaken. We can enhance the opportunities of executive leadership, not by over-riding the cherished prerogatives of Congress, or by attempting to gain an illicit advantage for that leadership, but by having a recognized contact through the regular admission of Cabinet officers to the floor of both houses of the Congress."

Arkansas Road Tax

The New York Times to-day says: "Argument was heard October 17 before the Supreme Court of the United States in the case of Mrs. M. L. House, involving the validity of the Arkansas law authorizing assessments for highway improvements, which in many instances, it is alleged, are so excessive as to amount to confiscation. Several like cases are pending before the court on which decisions are expected this term. The Arkansas statute is attacked on constitutional grounds and on the ground that the State bodies that administer it have been guilty of discrimination in the matter of assessments as between owners of abutting property, and that in the case under consideration the State failed to show that the plaintiff had gained any benefits through the road improvement undertaken in the vicinity of her holdings. In the case argued yesterday the Supreme Court is called upon to decide among other questions, whether it is within the power of the State legally to make tax assessments against property owners on one side of a road and exempt owners on the other side, and whether the Constitution is not contravened where an assessment is made that exceeds more than one-third of the gross yearly income from a landed property."

France for Rural Electricity

The press to-day reports that the first congress of the National Federation of Societies for Rural Electrification will be held at Lyons, France, this autumn, according to reports from Paris. At the congress, which has the support of the Ministries of Agriculture, Public Works and the Interior, will be considered the various problems dealing with the increased use of electrical energy on the farms of France and the wider distribution of electrical service throughout the country.

Section 2

Canada-Australia Trade Treaty

A Montreal dispatch to the press of October 17 states that the trade agreement recently concluded between Canada and Australia will not go into operation for some time.

Canadian Wheat Imports

Imports of Canadian wheat into the United States for consumption and upon which duty was paid totaled 20,000 bushels during the week ended October 11, according to an announcement of the Department of Commerce. The previous week no such imports were reported. Imports of wheat into bonded mills for grinding into flour for export totaled 9,270 bushels, as against 2,838 bushels the preceding week. Total wheat imports from January 1 to October 11 were 15,568,208 bushels. (Press, Oct. 17.)

Cooperation

An editorial in Farmer and Breeder for October 15 says: "A writer in a trade paper published in New York City asks, 'Why can not Agriculture be made permanently prosperous?' On the face of it this is a proper question, and at first blush, every farmer in this broad land will echo the inquiry and breathlessly wait a reply. We wish we were wise and learned enough to give the right answer -- and the right answer, of course, is one that must please every farmer in this broad land. But to tell the truth, we don't know why agriculture can't be made permanently prosperous. Or put it this way: If the gentleman who asks this momentous question will tell us why trade and commerce and manufacturing and railroading and merchandising and doctoring and lawyering and preaching and every other human activity on earth can not be made universally profitable and successful, we will not need to give an answer to the previous question, for he will have answered it himself... Success on the farm is an individual matter with agriculture unorganized as it is to-day. Group competition has aided other lines of activity, and cooperation -- which is the same thing -- may be necessary to raise agriculture as a whole to higher economic levels..... American farmers as a class are not good cooperators -- as witness their failures to select safe leaders, and to unite for the common good instead of fighting each other through rival organizations..... We are not wholly sure that group competition through gentleman's agreements, labor unions, and cooperative societies will actually solve the problems of humanity in its tragic pursuit of happiness, but that is the present tendency. Where it leads no man knows. In the long view, the human mind -- the supreme intelligence implanted in the brains of men -- will work out man's destiny on this planet. Much suffering can be saved by taking thought of tomorrow and building our interwoven institutions not for a day but for all time."

Corn in Florida

The Florida Times-Union for October 14 says: "More than likely, farmers of Florida and the Southeast generally, will buy very much corn this year, as they have done in years past -- will buy very much more corn than they will sell, in the aggregate. This, because they have not planted corn as extensively as they might have done and should be doing. And not many of those who have planted have made anywhere near the crop they should make. When a Duval county corn club boy can produce 105 bushels of corn on an acre of land, what has the farmer to say when he produces 15, 20, 30 or even 40 bushels per acre? Corn always is a staple crop. It always is in demand. Prices always are not high, as at present, but they are good enough to justify more planting of corn in Florida, and other Southern States, than is being planted. Then, too, corn and more corn is required year after year to supply increasing local demands. As above is indicated corn and cattle go together. When beef cattle prices are good, and corn prices are not so good, it pays to sell corn through fattened cattle. Poultry, too, requires increasing quantities of corn. Much of this feed now is bought, for consumption in this section, from producers, or corn growers, in other States. This should not be. The growing of more corn, and better cultivation, has been urged on Florida farmers for years. They have not responded as they should have done. They ought to learn a very valuable lesson in the corn markets and corn prices of this year."

Cotton Rules Adopted in Chicago

Members of the Chicago Board of Trade October 16 adopted amendments to the rules establishing rates of commission on transactions in cotton. Samuel P. Arnot, executive vice president, said that the date of opening the new Chicago cotton market had not yet been definitely fixed. It is believed, however, that the remaining details will have been completed so that trading can begin early in November. (Press, Oct. 17.)

European Conditions

The Journal of Commerce for October 17 says: "A local banker returning after a stay of several weeks in Europe issues to the press the usual 'statement' concerning his observations abroad. The interesting thing about this statement, however, is that while it has a good deal to say about Europe it has quite as much to offer about conditions in the United States. The net income of the banker's trip appears to have been a strong impression on his mind as to the exceptionally favorable position of this country and its probable prospects as compared with those of Europeans. This interview, although rather franker and more to the point than many of a similar character that have appeared of late, does not stop with the making of a contrast between our own industrial outlook and that of other countries, but it goes on to predict further business success, or in the usual conventional phrase, 'an era of prosperity,' provided, however, that we insist on certain important things. These fundamental matters are (1) avoidance of political unwisdom, (2)

insistence upon cooperation between Government and business, (3) development of efficiency in manufacturing, (4) curtailment of waste, (5) abandonment of public extravagance, (6) elimination and avoidance of credit inflation.... Assuming that the conditions are great aids to prosperity does it not follow that if they can not be furnished corresponding retardation of prosperity will ensue? This undoubtedly is exactly what the author of the interview desired to convey to those who read his analysis intelligently. Such improvement as there is in Europe will take its effect in a growth of exports and such exports must be sold somewhere. As the result of hard experience and a readiness to accept lower profits and narrower margins of living wages capitalists and employees in a good many European countries are now in position to proceed actively to work on a very moderate basis of remuneration. If we want to get any export trade or, indeed, if we want to hold our domestic market as we have been doing, we must meet these competitors on their own ground. We must, in other words, put ourselves into position to produce as efficiently and cheaply as they do. This is not a matter of grinding down the laboring man or giving away goods or employing capital for nothing; it is simply a question of economic production and abandonment of the belief that prices must be high in order that producers must be prosperous."

Farm Equipment Sales

Recovering from the slump of 1922, farm equipment manufacturers last year surpassed 1922 with an increase of 74 per cent, and were 11.2 per cent above 1921. Census Bureau statistics announced October 16 for the annual canvas of manufactures of farm equipment places the value of the output at $364,701,537 as compared with $209,639,897 in 1922, and $328,040,783 in 1921. (Press, October 17.)

Florida Fruit

An editorial in The Florida Grower for October 11 says: "The agitation about certain shipments of grapefruit from Florida has caused a question to arise that is of just as vast importance as the green fruit question. We know not whether the fruit in question was green or not. The inspection showed the legal amount of sugar content and solids according to report. But the inspection showed that the fruit was far from being in palatable condition insofar as the juice content was concerned. In this respect it was far from ripe; so green in fact that the smaller fruit was ordered thrown out by the inspectors, according to report. The independent shippers, are very 'independent' about it. They infer: 'What are we going to do about it? The fruit passes standard according to State law.' Our opinion is that we are going to suffer for it -- to the extent of a few more millions in losses through a market that will once more take unkind views about Florida fruit. From our advices this fruit was very lacking in juice. Took an unusual amount to get enough juice to make a test. A man would be very far off the mark to adjudge such fruit palatable. It seems to us a suicidal thing for a firm to put such

stuff in the market under their brand or even become known as shippers of it. These people are surely interested in the market to come, so why knowingly wreck it? Not much has gone, to be sure, but it is our opinion that it will serve its purpose of bringing about a condition that will cause all growers to suffer alike -- even the shippers. This is poor publicity for Florida fruit and will probably never be stopped by any 'gentleman's agreement', which is the only kind in existence at present."

Foreign Trade

A decline in imports for every one of the first six months of 1924, with the single exception of February, is disclosed by an analysis of the world trade of the United States for the first half of the present year made by the Department of Foreign Commerce of the Chamber of Commerce of the United States. "The total for the first half of this year," says the department, "amounted to $1,851,054,000 a decrease of $236,572,000 or 11.3%. This decline is due largely to smaller imports of raw silk, cotton, and wool; hides and skins; rubber; furs; flaxseed; vegetable oils; shellac; and lumber. The values of only one-half of the principal imports of the United States are higher than a year ago, while in quantity but 39 out of 85 commodities show any increase."

Retail Food Prices

The retail food index issued by the United States Department of Labor, through the Bureau of Labor Statistics, shows that there was an increase of about 2 per cent in the retail cost of food in September, 1924, as compared with August, 1924. The index number was 144.2 in August and 146.8 in September. Increases in the average family expenditures for food, ranging up to 3 per cent, were recorded for the month in forty-nine of fifty-one cities.

Wheat Market

An editorial in Farm, Stock and Home for October 1 says: "The United States wheat raisers are still having all the luck. In face of heavy receipts and the persistent claims of a Canadian crop of well over 300,000,000 bushels it looked for a time as though prices were shaping up for a mean break. The situation was saved, however, by the Canadian Government report showing a crop of 291,000,000 bushels. Exporters who had found the going rather rough because of a disposition on the part of their over seas customers to believe the unofficial Canadian figures, were swamped with orders as soon as the official report was issued. The outstanding feature, one that shows the tight foreign situation, is the purchase of around two million bushels of our spring wheat at Duluth for export. During the war our spring wheat was bought for export but for a good many years before the war exporters' wants were supplied without drawing on this market. There has been some slowing down in the flour demand. Orders were placed in large volume for future delivery, when it became evident that the Canadian crop was going to pieces, therefore it will be necessary to get these orders out of the way before new buying can show up in quantity....."

Section 3

MARKET QUOTATIONS.

Farm Products

Chicago hog prices closed at $11.25 for the top, $9.90 to $10.90 for the bulk. Medium and good beef steers $6.85 to $11.45; butcher cows and heifers $3.25 to $11; feeder steers $4.65 to $7.75; light and medium veal calves $8.75 to $10.50 and fat lambs $12.25 to $13.75.

New York Round White potatoes $1.10 to $1.20 bulk per 100 lbs. in New York; sacked stock $1.35 to $1.50 in other eastern cities; 95¢ to $1 f. o. b. Eastern Shore of Virginia yellow varieties of sweet potatoes 25¢ to 50¢ lower, closing at $2.50 to $3.75 per barrel in leading markets. New York domestic type cabbage $1 to $2 lower at $10 to $15 bulk per ton in eastern markets; $6 to $7 f. o. b. Rochester. Danish type steady at $15 to $20 top of $25 in Cincinnati; $10 to $12 f. o. b. New York and midwestern yellow varieties onions ranged $1.25 to $2 in consuming centers; $1.40 to $1.70 f. o. b. Rochester. Northwestern Jonathans apples, extra fancy, ranged $2.50 to $3 per box.

Grain prices quoted October 17: No. 1 dark northern spring wheat Minneapolis $150 to $1.69. No. 2 red winter St. Louis $1.62 to $1.63; Kansas City $1.55 to $1.59. No. 3 red winter Chicago $1.51. No. 2 hard winter Chicago $1.49 1/4; Kansas City $1.39 to $1.50. No. 2 mixed corn Chicago $1.10 1/2 to $1.11; Minneapolis $1.03 1/2 to $1.04 1/2; Kansas City $1.02. No. 2 yellow corn Chicago $1.11 to $1.12 1/2; Minneapolis $1.06 to $1.06 1/2; Kansas City $1.09. No. 3 yellow corn Chicago $1.09 3/4 to $1.11 1/2; Minneapolis $1.04 to $1.05; St. Louis $1.12. No. 2 white corn Kansas City $1.10. No. 3 white corn Chicago $1.09 1/2 to $1.10 1/2; St. Louis $1.12. No. white oats Chicago 50 to 51 1/4¢; Minneapolis 47 1/8 to 47 3/8¢; St. Louis 52 1/2 to 53¢; Kansas City 50 3/4¢.

Closing prices on 92 score butter: New York 38 1/2; Philadelphia 39 1/2¢; Boston 38 1/2¢.

Spot cotton down 19 points during the week closing at 22.38¢ per lb. New York October future contracts down 24 points, closing at 23.18¢. (Prepared by Bur. of Agr. Econ.)

Industrials and Railroads

Average closing price	Oct. 17.	Oct. 16.	Oct. 17, 1923
20 Industrials	100.86	100,16	87.57
20 R. R. stocks	87.20	86.40	78.41

(Wall St. Jour., Oct. 18)

DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XV, no.17 Section 1 October 20, 1924

The President Answers Ford on Muscle Shoals

The press of October 19 states that acknowledging, October 18, the formal withdrawal by Henry Ford of his offer for the Government properties at Muscle Shoals, Ala., President Coolidge wrote Mr. Ford that he "trusted" the latter would renew his interest in the property should Congress decide to dispose of it to private interests.

Rediscount Rate Reduced

The Federal Reserve Board announced that the Federal Reserve Bank of Minneapolis has established a rediscount rate of 4 per cent on all classes of paper of all maturities, effective October 15. (Press, Oct.19)

France Encourages Wheat

A Paris dispatch to the press to-day states that declaring France's bread supply must be independent of foreign crop conditions, the Minister of Agriculture, M. Queuille, is framing legislation with a view to encouraging wheat growing in this country. As the first step he will introduce, as soon as Parliament reassembles, a bill reducing the price of German fertilizers delivered on the reparation account. He will also propose the abolition of customs duties on fertilizers and will attempt to obtain a reduction in railway freight charges for fertilizers, seeds and other agricultural necessities. Finally, his plan would bring about reduced taxation for farmers agreeing to sow an adequate area in wheat.

Fur Trapping

A St. Louis dispatch to the press to-day states that the combination of lower prices for traps and a ready cash market for furs at profitable prices is expected to bring about a record-breaking catch this season of North American skins. The season will begin November 15.

Virgin Texas Lands for Tillage

A Fort Worth dispatch to the press to-day states that 100,000 acres of Texas soil hitherto used only for grazing or part of the unfenced public domain, are going under the plow this fall. Fleets of motor tractors are breaking this land, scattered from the Wichita Valley, on the East, to the New Mexico line on the West. The bulk of it will be planted to wheat and oats; some will be tried out in cotton. The land consists of tracts of passing ranches and pastures and is being settled by farmers from East Texas, the Old South and the Middle West. It will materially increase the Texas grain acreage next year. The colonization of the ranches has been followed by a boom in the motor-tractor business, in lumber yards and farm-implement trade.

Section 2

Cotton in Argentina

A London dispatch to the press of October 18 states that S. T. Davids, presiding at the stockholders' meeting of the Buenos Aires & Pacific Railway, spoke of cotton as promising to become a great industry in the Argentine. He said it would be valuable to the railroads of the interior and would favorably influence the exchange if an export trade develops which he considers certain in the near future.

Cotton from Egypt

Exports of cotton from Egypt during the 1923-1924 season fell off about 2 per cent from the previous season, according to preliminary figures received by the Commerce Department. The shipments for the cotton year ended August 31, 1924, are estimated at 927,328 bales, or 2,020,523 centars, while the revised figures for the previous season were 945,328 and 7,170,588, respectively. The United States fell to third place in receiving Egyptian cotton exports, following Great Britain and France. (Press, Oct.18.)

Cotton Marketing

An editorial in Modern Farming for October 10 says: "Those farmers who are selling their cotton through the Farm Bureau cotton associations have a good prospect of getting much nearer its value than those who have sold direct from the gins at declining prices. The drop from the time picking began in the drought sections of Mississippi and Louisiana until the Government crop estimate was published on September 23 amounted to as much as $50.00 a bale.... The precipitate haste with which the crop was sold amounted to almost a panic in some of the smaller outlying markets. Wagons were loaded with cotton at night and were rushed to the gin before daylight in order to be in the front of the line when the plant began operations. As each bale rolled from the press it was loaded back on the wagon and rushed to the buyer in the hope of getting the previous day's price for it before a lower quotation was received. Anything orderly about that way of marketing cotton? Men who have heard the cry of 'wolf, wolf,' on the cotton market for half an average lifetime forgot all the lessons the false shepherds had taught them, and joined in the rush to sell before the price went lower. Few of them demanded the classification of their cotton and many accepted the first offer made for it. And now that most of the cotton in this section has been sold, the growers will have time to figure their losses at leisure. A thorough study of the question should convince them that the orderly cooperative marketing of cotton is sound in principle and effective in practice."

Crop Shortage and Economy

The Price Current-Grain Reporter for October 15 says: "When foreign crops are short, there is greater economy in the use of breadstuffs. This is a factor which must be taken into account when studying estimates of import needs from countries deficient in breadstuffs. While the latest Department of Agriculture report has taken this into consideration, two private reports by eminent authorities which were given wide circulation apparently did not make deductions on this important factor. Even the Department of Agriculture's figures may be subject to some adjustments. A political factor also enters into this study which should not be overlooked. Large importation of grains require the purchase of

considerable foreign exchange to meet drafts on grain imported. In the present state of European finances, any large movement of exchange against an importing country causes a sharp drop in the value of its money, even endangering the political parties in power. It is therefore to the interest of these governments to do everything possible to reduce imports to a minimum and to encourage economy in the use of grains in milling and baking. In the past month nearly every European country has imposed regulations on millers and bakers, and has passed laws prohibiting grain exports. These regulations, together with the high prices, are bound to have a very appreciable effect on the export of grains to these countries. In spite of these regulations, however, large quantities already have moved to Europe, and it is expected they will continue in large volume. Notwithstanding, it would be well to heed the warning of the Department of Agriculture that 'imports of wheat into European countries during the year will probably be less than the imports of the previous year.'"

Farmer Loans

Glenn Griswold, Chicago correspondent of The Philadelphia Ledger, in the issue for October 18, says: "Little attention was given to the purchase this week by a group of Kansas banks of $1,000,000 of debentures of the Wichita Federal Intermediate Credit Bank. Yet the mere announcement contained a sermon on farm economics and present-day business conditions. The first important fact is that the debentures of six months' maturity yield to the purchasing banks only 3.25 per cent. The second, that these Kansas banks not so long ago found their credit and that of the customers stretched to the uttermost. These banks, too, are in a Federal Reserve district in which the Reserve Bank had adopted a practice of charging discount in proportion to the borrowing bank's credit. Some of these banks were paying the Federal Reserve Bank of Kansas City as much as 12 per cent for their accommodation. Since that time, we have given too little attention to the restoration of the Southwest, and are still inclined to think of that territory as being beset by frozen loans and threatened by wabbling banks....."

Farmer's Dollar

The Wall Street Journal of October 18 says: "Purchasing power of the farmer's dollar in August reached 90 cents, compared with 66 in January, 1923, says the Bureau of Agricultural Economics. What is more remarkable is that over half of this gain has been made since last May. This fact, taken in connection with the last crop report, shows that the agricultural situation not only has improved but should continue to do so. Not in years has there been a better crop production than that of this season. There have been years of greater yields and larger production in some particular crops; there have been seasons when, as in the war period, prices of some products have been higher; but few, indeed, have been the harvests of the past that were so well balanced and so well proportioned to market requirements as the present one. A harvest where production is closely adjusted to demand means better returns and larger incomes to the producers. It is too early yet to see the full effect of such a condition in this harvest. Before the crop year ends it will be plainly apparent that agriculture as a whole has a larger purchasing power than at any time since deflation

began. At one time many predicted a cotton crop larger than the probably consumptive demand. But the danger of that is now past and there will be no overproduction. In no crop can it be said that there is a heavy overproduction; on the other hand, with the possible exception of corn, it can not be said that there is a shortage. A well-balanced production like this means fair prices for the producers. There are, of course, some sore spots in American agriculture. In one year of good prices the wheat belt can not recover entirely from its past troubles. The beef producers can not see any prosperity ahead of them. Theirs seems to be a losing industry, as it has been for years past. No one can see an end to their depression or find a solution for it. Also there are particular localities that have suffered from adverse weather. But taking agriculture as a whole, there is a remarkable improvement over the past few years. What is equally satisfactory is the action of the price index. In January, 1923, the index of agricultural products stood at 116, while the wholesale price index of non-agricultural commodities was 170. The two were not even within speaking distance of each other. They are now getting more friendly and approaching each other. Farm prices have gone from 116 upward to 139, while the other, as if to meet them half-way, has stepped down to 154. With the closing up of this great gap agriculture promises to pay dividends this year."

Foodstuffs for Brazil

A decree permitting until December 31 the duty-free admission at all Brazilian ports of foodstuffs, including rice, lard, jerked beef, potatoes, condensed milk, butter and corn has been issued by Brazil in its efforts to reduce the high cost of living, according to a cablegram to the Department of Commerce.(Press, Oct.18.)

German Import Duties

Tentative tariff schedules now before the Federal Economic Council of Germany, for consideration in connection with the proposed commercial treaties, show marked increases over the present rates of duty in many lines despite a growing public sentiment against extreme protection, Commercial Attache Herring cables from Berlin. It is expected that pending the introduction of new import duties the existing import prohibitions will be retained and the granting of import licenses for all foreign manufactures will be increasingly restricted, so as to result in steadily diminished purchases. (Press, Oct.17.)

Grain Elevator for Houston

A Houston, Tex., dispatch to the press of October 17 states that bids will be asked at once for the construction of a 1,000,000 bushel grain elevator on the ship channel. It will cost $1,000,000. Provision will be made for increasing the capacity to 6,000,000 bushels.

Milk Producers Convention

Distinguished speakers will deliver messages to the eighth annual meeting of the National Cooperative Milk Producers' Federation at Detroit,Mich., November 14 and 15. Among them are Secretary of Agriculture H. C. Wallace and Senator Royal S.Copeland of New York State. Secretary Wallace will describe his idea for

the outlook of cooperation in the United States. Senator Copeland, long a favorite among New York dairymen, will touch upon legislative problems in the coming Congress. Dr. C. W. Larson, chief of the new Dairy Bureau, U. S. Department of Agriculture, will present the international aspects of dairying, its relation to world markets and production trends. The situation in New England will be discussed by Richard Pattee, managing director of the New England Milk Producers' Association, Boston, Mass. The remarkable accomplishments in cooperative marketing of Minnesota butter will be described by John Brandt of Litchfield, Minn., president of the Minnesota Cooperative Creameries Association. The status of cooperative marketing of Iowa butter will be given by C.Bechtelheimer, secretary of the Iowa Creamery Secretaries' and Managers' Association. How Wisconsin cheese is marketed cooperatively will be told by Frank G. Swoboda of Plymouth, Wisconsin, general manager of the Wisconsin Cheese Producers' Federation. President John D. Miller of the federation, also vice president of the Dairymen's League Cooperative Association, Inc., with headquarters in New York City, will strike the keynote of the federation's legislative program. How the world's greatest dairy cooperative finds markets will be the theme of an address by George W. Slocum, president of the Dairymen's League Cooperative Association, Inc. One of the most interesting addresses will be delivered by Harry Hartke of Covington, Kentucky, the leading spirit in the Cooperative Pure Milk Association of Cincinnati.

Packer Case

An editorial on the Packers and Stockyards Administration complaint against certain Chicago meat packers, in Chicago Journal of Commerce for October 17 says: "Irrespective of the merits of this dispute, the fact is clear that the speculators serve a useful purpose. Beyond question the packers will buy from them when hogs are few; and when hogs are plentiful, and the farmers can find a poor market among the packers, the speculators will do the buying. Thus, they will serve as a stabilizing influence. In time of large supply, their purchases will help prevent a violent downward fluctuation of prices; and in time of small supply, their sales to the packers will help prevent an equally violent fluctuation in the other direction. A similar service is performed by grain speculators. Why should the Department of Agriculture hamper them while defending the speculators in hogs?"

Peach Association and Fig Men

A Fresno, Calif:, dispatch to the press of October 18 states that questionnaires seeking information as to the attitude of growers toward the separation of the peach industry and the fig industry in the California Peach and Fig Growers' Association were placed in the mail on October 16 by A. E. Sunderland, secretary of the association. The questionnaires were authorized by the board of directors of the association at its meeting on October 15 and were ordered because of the prevalent discussion of the possibility of separation among its growers. The peach growers, it is understood, will in the main favor the divorce of the two branches of the institution and many fig growers have already expressed a desire to leave the association when the contract closes. It is understood the board of directors will be influenced by the vote of the growers in making plans for the reorganization later on when the present crop contract expires.

Section 3
MARKET QUOTATIONS

Farm Products

For the week ended October 18: Eastern potato markets generally 10¢ to 15¢ lower. New York bulk Round Whites $1.10 to $1.20 per 100 pounds in New York; sacked stock $1.25 to $1.40 in other cities, 90¢ to $1 f.o.b. Rochester. New York domestic type cabbage $1 to $2 lower at $10 to $14 bulk per ton in eastern cities; $6. to $7 f.o.b. Rochester. Onions about steady in New York and Chicago, irregular elsewhere. Apple markets dull. Virginia and West Virginia Stayman Winesaps $4 to $4.50 per barrel. Illinois and Missouri Jonathans $6.50 to $7.50 in the Middle West.

In eastern wholesale fresh meat markets beef and mutton are firm to $1 higher; veal $1 lower to $1 higher; lamb $1 to $2 up and pork loins $1 to $7 lower. October 18 prices good grade meats: Beef $13 to $17; veal $15 to $18; lamb $20 to $22; mutton $11 to $14; light pork loins $21 to $28; heavy loins $18 to $24.

Average price of Middling spot cotton in 10 designated spot markets declined 59 points during the week, closing at 22.53¢ per lb. New York October future contracts declined 75 points, closing at 23.45¢.

Wheat market made good advances for week on continued good export demand but was weaker at close and prices declined about 2 3/4¢ for high point. Weather more favorable in Northwest and larger movement expected in northwestern and Canadian markets. Corn weaker as crop nears maturity and movement of new corn begins in Southwest. Prices about 5¢ lower for week. Oats market down about 2¢ from last week because of heavy movement and weakness in corn. Rye very firm and 6 to 7¢ higher. Export demand good.

Butter markets firm early in the week but easy to weak at the close. Scarcity of fancy butter has been a supporting factor, but heavy storage surplus makes for lack of confidence. Exports light, approximately about 4,500 tubs shipped during week.

Cheese markets about steady following declines last week. Trading rather quiet with buyers operating only as occasion demands. Wholesale prices at Wisconsin primary markets October 17: Flats 19 1/2¢; Twins 19¢; Single Daisies 19 1/4¢; Double Daisies 19 1/4¢; Longhorns 19 1/2¢; Square Prints 20 1/2¢. (Prepared by Bu. of Agr. Econ.).

Industrials and Railroads

Average closing price	Oct.18,	Oct.17,	Oct.18,1923
20 Industrials	101.76	100.86	87.46
20 R.R.stocks	88.04	87.20	78.42

(Wall St. Jour., Oct.20.)

DAILY DIGEST

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Vol. XV, no. 18 Section 1 October 21, 1924

Amoskeag Passes Dividend

A Boston dispatch to the press to-day states that the directors of the Amoskeag Manufacturing Company, whose mills at Manchester, N.H., are the largest in the world devoted to cotton manufactures, voted October 20 to pass the annual dividend. This action followed publication of the annual report showing a loss of $2,800,000 last year. It was the first suspension of payments in eighty-four years. The company also makes worsteds.

Roosevelt on Agriculture

Speaking on agriculture at Cornell University yesterday, Colonel Theodore Roosevelt said: "The agricultural problems are in the main those of marketing, standardization and cooperation. Production does not rank at this time with the other three. What the farmer needs now is not so much advice, but the opportunity to help himself... . It is my opinion that the market reporting service, not only of the State but of the Nation and the world, should be more complete. It should be complete enough to give a basis for comparison. It should give information on the world supply. It should show whether the crop is larger this year. It should show the number of cars in the market places and the number of cars that are actually rolling. If the farmers are in possession of information of this sort they can take advantage of it by changing their routing, and both farmer and consumer will benefit thereby... ..."

Conditions in Germany

John Hays Hammond, in a comprehensive letter to The Washington Post to-day, says:"....The adoption of the Dawes plan and the successful flotation of the loan has reestablished confidence to such a degree that large sums now held by Germans abroad are returning to Germany to assist in the future financing of her industries. Bankers, economists and captains of industry with whom I discussed the subject were unanimous in the belief that the Dawes plan is the economic salvation of Germany, and, indeed, its political salvation as well, since through the resumption of industrial activities the grave problem of unemployment will be solved....The revival of German industrial and commercial activities will be a great boon to other nations, and especially to America, as Germany seriously needs American farm products, raw materials and, for the present, her manufactures. England will benefit less, since under her present free-trade tariff she will shortly be flooded with German manufactures and in that way the unemployment problem, which is already serious, there being upward of a million people out of work, will be aggravated.... Germany's plants are in excellent condition, and Germany's industries have the important advantage over industries of competing nations in that they carry but little bonded indebtedness. With her unequaled system of mobilization of financial credits, in which field she excelled before the war, the scientific direction of her industries and the industry of her working class, Germany will rank again as one of the great commercial nations of the world. The regeneration of her economic life will, of course, take time, and she will have many problems to solve, one of which is agriculture....."

Section 2

Automobile License Tax

An editorial in Farm and Ranch for October 18 says: "The high license tax is unjust. In effect it brings about a double taxation, for every owner of an automobile must pay an ad valorem tax and, in addition, pay a high license whether or not he drives his car over the public highways 100 or 10,000 miles. Good roads are an automobile necessity and should be paid for by those using them most, therefore it is logical that gasoline be taxed so that the man who uses the roads, whether he be a citizen of the State or a tourist, will be obliged to pay his just share in their maintenance. Farm and Ranch has also voiced its editorial objection to taking any part of the money collected on automobiles or gasoline and diverting it to the school or any other fund. The necessity for good roads is the only excuse for a special tax on motor cars and gasoline and, that being the case, to divert part of the money thus collected from the good roads fund is class legislation. It is forcing the owners of motor cars to pay for our public schools when the matter of education is of concern to every citizen. Our educational system should receive liberal support, but it should come from all the people and not from any single class or from taxes collected on certain specified property."

Butter Surplus

An editorial in Chicago Dairy Produce for October 14 says: "The first of the series of advertising in Chicago to increase the consumption of butter appeared last Thursday, and at the present time the campaign is proceeding in several cities. As fast as the necessary funds are contributed this educational campaign will be extended, and it is hoped that it will become a Nation-wide movement The result expected is relief quickly of an emergency situation created by the presence of the largest stocks of butter ever carried in storage. It will require only a small increase in per capita consumption or an increase of the number of butter consumers to carry out the purpose for which the campaign was started....There is no great alarm in the present situation, and there is coming into the market every day a more general belief that it will work out with no greatly disturbing losses. But the campaign should go on just the same. More States are getting into dairying and the dairy States are increasing business along dairy farming lines. The present situation may be repeated next year unless we have a growing consumptive demand to take care of the ever increasing supply that accompanies a growing industry, and the way to assure the growth of the industry is to increase the demand for its products. We regard the educational campaign as a means to bring quick relief into the present situation and further we think that some day it will be a permanent feature in the marketing of dairy products."

Cooperative Marketing

An editorial in Western Farmer for October 1 says: "It has been often said that the farmer plows in hope, plants in faith, harvests in prayer and markets by accident. Such a statement can not be said of any other business. Merchants follow a definite plan of cost plus profit. It is the safeguard and sheet anchor of their business and their success or failure is based largely on this

knowledge. Manufacturers make a survey of the selling field and fix definite selling prices long before they begin converting raw material into manufactured articles. Building contractors know the cost of material and labor before they invest a dollar in building enterprises. How about the farmers? Well, it may be said of them that slowly but surely they are awakening to the need of the hour. Over a million of them, in fact, are taking the accident out of marketing. Most noticeable in this regard are the cotton and tobacco growers in the South, the stockmen in the Middle West and the fruit growers and the poultry raisers of the Pacific slope. These associations are selling their crops on a definite plan with a large part of the accident taken out of the proposition. More and more are our American farmers turning their attention to the need of cooperative effort in marketing their products."

Cotton Price

An editorial in The Journal of Commerce for October 20 says: "The Journal of Commerce is glad to publish in another column a letter from Senator Dial of South Carolina. He protests against expressions of opinion which have appeared in this newspaper relative to the price of cotton and seems to suppose that some 'position' has been taken as to what the staple 'should' bring. This leads him to an argument intended to show that at 18¢ per lb. a family engaged in the production of cotton could make only a merely nominal wage. Even at the present level of values he thinks the return to the cotton farmer is so low as to be neither 'fair' nor 'equitable.' He is, therefore, outspoken against what he calls 'propaganda' sent out from the 'North.' This is a question which recurs from time to time and in which the truth of the matter ought to be fairly faced. The Journal of Commerce has no 'position' on the price of cotton or of anything else. It would be glad to see the southern planter make as large a profit from his labors as circumstances could possibly permit. That on many southern farms the producer is not able to make a satisfactory return, or even one which will provide what would be considered, in many parts of the country, necessaries of life, is a fact which needs no demonstration. The investigations to which Senator Dial refers are not necessary as evidence of this fact, but there is abundance of data to show the narrowness of the margin of subsistence which is obtained by the cotton grower....Senator Dial and others who write in the same strain are wrong in suggesting that 'propaganda' on the subject of cotton prices comes from the 'North.' The textile manufacturing industry is firmly rooted in the South, and buyers of cotton in Southern States have to contend with the same difficulties that are encountered by buyers for northern mills. There is as large an element in the northern communities which is interested to see higher prices for cotton as there is of those who want to see lower prices. The question is absolutely not a geographical or sectional issue but is a matter to be settled between consumer and producer. The two groups must agree upon a value which will enable the grower to keep on at his business and at the same time will place within the power of the consumer the use of the cloth that he really needs. What is that figure? It can best be determined by open and unrestricted trading, and all the efforts that have been directed toward limitation of such trading have been hurtful to the farmer rather than helpful to him."

Cotton Takings

A New Orleans dispatch to the press of October 20 says: "Two developments aided the cotton market materially last week. One was the larger mill takings than expected, as reported by Secretary Hester. They aggregated 322,000 bales for the week, against 284,000 for the corresponding week last year. The other factor was the heavy exports, which totaled 324,780 bales for the week, against 239,338 for the corresponding week last year, bringing the increase for the season to date over last year to 232,092 bales. These bullish statistics were in large measure offset by the almost record-breaking movement into sight for the week. Secretary Hester made the total 669,000 bales, against 542,000 bales last year. This heavy marketing of cotton during the week caused the visible supply of the American staple to increase 346,000 bales, against an increase in the corresponding week last year of 257,000 bales."

Foreign Trade

A notable increase in the capacity of world markets to absorb American products is reflected in an analysis of the world trade of the United States for the first six months of the current year made by the foreign commerce department of the Chamber of Commerce of the United States. Twenty-five out of thirty leading markets for American merchandise made larger purchases during the first half of 1924 than during the same six months in 1923. Among these is Russia, whose purchases from the United States consisting chiefly of raw cotton, show an increase of 396%, - from $4,356,000 to $21,596,000. "Exports to Great Britain, our best customer", says the analysis, "increased from $371,139,000 to $387,669,000, or 4.5%. Germany, our third best market, took nearly 10% of our total exports, her purchases increasing from $143,798,000 to $205,422,000, a gain of 43%. Exports to Japan increased from $110,468,000 to $129,590,000, or 17%; and purchases by France from $120,104,000 to $128,256,000, or 7%. Shipments to China were 32% larger than a year ago, increasing from $50,196,000 to $66,402,000. Gains were also registered by Italy, Australia, Mexico, Netherlands, Belgium, Spain, Brazil, Philippine Islands, Denmark, Sweden, British South Africa, British India, New Zealand, Colombia, Peru, Panama, Hongkong, Uruguay, and Venezuela. Exports to Canada dropped from $329,459,000 to $279,221,000--a decrease of more than $50,000,000, or 15%. Argentine purchases from us were $6,090,000 lower than a year ago, while Norway's decline was 44%, or $7,326,000. Slight declines were sustained by Cuba and Chile. Because of Canada's decreased purchases, North America stands out as the only continent with lower purchases from the United States during the past six months than a year ago."

Fur Conservation and Trade

The program formulated at the recent conference of the American Raw Fur Traders, under the auspices of the National Association of the Fur Industry, at Washington, has been gathered together in the form of a resolution. Recommendations for conservation, the correction of trade abuses, a more adequate control of the open and close trapping and hunting seasons in the various States are duly put into concrete shape. The association has stated its plan for reform as follows: 1.We hereby express our

deep appreciation of the great assistance rendered to the fur industry and the helpful suggestions made to this conference by the various bureaus and departments of the Government. 2. We especially recommend and welcome the creation of the division of fur resources in the Biological Survey of the United States Department of Agriculture, thus affording the fur industry direct and continuous contact with and assistance from the Government. 3. We unqualifiedly and without reservation declare ourselves in favor of a real and intelligent conservation of our great natural resources of fur bearing animals and other wild life throughout the United States; and we urge all assistance and support to national and State officials, so that this policy can be carried into effect at the earliest opportunity....."

Wool Situation

Glenn Griswold, Chicago correspondent of The Philadelphia Ledger, in the issue for October 15 says: "The wool situation has been another of the interesting and regrettable problems of the western farmer for several years, and it, like other of his knotty questions, seems in a fair way of solution. There is a world-wide scarcity of wool, which has its genesis in the conditions that prevailed in the post-war years.....In 1921 foreign wools flooded the market, and because of a failure by the Democratic administration no tariff barrier was erected until a two years' supply had come in. Naturally, many retired from the wool business and others reduced their flocks, so that the situation gradually has been righting itself in a free and natural process. Increased buying from Germany, Japan, Belgium and France has furthered the improvement, at a time when the world production is about 20 per cent under the pre-war total. A man in the trade estimated that 40 per cent of a normal demand at this time would consume all the wool now on hand so that naturally there is an expectation of a still higher movement, which is prompting speculators to hold on, although the consuming factors, being already well loaded up in advance, are at comparatively low ebb. The market has been rising in face of this, however. On the 2,500,000 pounds of wool still to be sold this year, the profit will go only to those growers who did not have to sell at once, but who were able to hold it or have it marketed with advantageous control. To many of these growers the sales now being made on consigned wools in the Middle West are at prices 10, 11 and 12 cents over what they would have been able to realize by selling at home. Most of this is going to the big woolen and worsted producers in the East, particularly the New England markets. The present advance, however, is of some benefit to the farmer, in that it is enhancing the value of his sheep, from which he gets a measure of compensation. It appears that the farmer is heading for more cooperation, which would give him more scientific marketing and adequate financing to meet crises of the future. Of the 250,000,000 to 260,000,000 pounds of wool produced annually, it is estimated that not more than 25,000,000 is handled on consignment and can be controlled advantageously as to its marketing to give the grower the greatest advantage. A measure of the turn in wool is indicated by prices for the Ohio grade, which now are about 62 cents, with speculators holding out for 65 cents. The latter figure is where the market rested in 1919. In 1920 at this time it was 37 to 38 cents, while the following year it had dropped to 24 cents. In 1922 it was 50 cents."

Section 3
MARKET QUOTATIONS

Farm Products

Oct.20: Chicago hog prices closed at $10.90 for the top and $9.60 to $10.50 for the bulk. Medium and good beef steers $6.85 to $11.45; butcher cows and heifers $3.25 to $11; feeder steers $4.65 to $7.25; light and medium weight veal calves $8 to $10; fat lambs $12.50 to $14; feeding lambs $11 to $13.40; yearlings $8.50 to $11.25 and fat ewes $4 to $7.

New York bulk Round White potatoes $1.10 to $1.20 per 100 pounds in New York; sacked stock $1.25 to $1.40 in other eastern cities, mostly 90 to 95¢ f.o.b. Rochester. Maine sacked Green Mountains $1.35 to $1.50 in eastern markets; bulk stock 50 to 55¢ f.o.b. Presque Isle. Eastern Shore of Virginia yellow varieties of sweet potatoes $2.50 to $3.75 per barrel. New York domestic type cabbage $8 to $14 bulk per ton in eastern cities; $6 f.o.b. Rochester. Eastern Jonathans and Stayman Winesap apples $5 to $5.25 per barrel; Grimes $4.50 to $5.50. Illinois and Missouri Jonathans $7.50 to $8 in Chicago.

Grain prices quoted October 20, 1924; No. 1 dark northern Minneapolis $1.42 to $1.63; No.2 red winter, Chicago $1.54; St.Louis $1.57 to $1.60; Kansas City $1.51 to $1.54. No.2 hard winter, Chicago $1.45 1/4 to $1.46 1/2; St. Louis $1.44; Kansas City $1.37 to $1.49. No.2 mixed corn Chicago $1.09 1/2 to $1.10 1/2; Minneapolis $1.00 1/2 to $1.01 1/2. No.2 yellow corn, Chicago $1.09 to $1.11 1/2; Minneapolis $1.02 1/2 to $1.02 3/4; Kansas City $1.07. No.3 yellow corn, Chicago $1.08 1/2 to $1.10 1/4; Minneapolis $1.01 1/2 to $1.01 3/4; St. Louis $1.09. No.2 white corn Kansas City $1.06 1/2 to $1.07. No.3 white corn, Chicago $1.09 to $1.09 1/2; St. Louis $1.08 to $1.09; No.2 white oats, Kansas City 50 1/4¢. No.3 white oats, Chicago 49 1/4 to 50 1/2¢; Minneapolis 45 1/4 to 45 1/2¢; St. Louis 51 1/2 to 53¢.

Closing prices on 92 score butter: Chicago 37¢; Philadelphia 38¢.

Spot cotton down 21 points, closing at 22.32¢ per lb. New York October future contracts down 37 points, closing at 23.08¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Oct.20,	Oct.18,	Oct.20,1923
20 Industrials	101.14	101.76	87.83
20 R.R.stocks	87.70	88.04	78.95

(Wall St. Jour., Oct.21.)

DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XV, no. 19 Section 1 October 22,1924

John W. Davis on Agriculture

In a campaign address at Louisville, Ky., last night, John W. Davis said: "We hear constant complaints about a farm bloc in the United States, but the farm bloc is nothing more than the farmers' answer to the fact that this country has been ruled for years by an industrial bloc, and there is no more reason why it should be ruled by an industrial bloc than by a farm bloc. The great trouble with agriculture is that for years farmers have been compelled against their will to pay tribute to their fellow citizens. They have been compelled to sell their products in a market open to the entire civilized world and to buy in a market closed against them by unfavorable and unjust laws."

Meat Industry

A Chicago dispatch to the press of October 21 states that in the principal address of the opening session of the convention of the Institute of American Meat Packers October 20, Charles F.Herrick, president, declared that the livestock market situation was returning to normal after a year of heavy receipts. "There is a decided contrast between the situation which the industry faces now and that which it faced a year ago," Mr. Herrick stated. "A year ago the marketing of the surplus production of hogs which followed the huge corn crops of 1920 and 1921 was approaching the peak period. The packing industry was processing more hogs than at any time in its history. Consumers had expanded their use of meats, especially pork products, but not sufficiently to absorb all of the surplus production. Consequently, storage stocks had attained large proportions. Now a decidedly different condition confronts us. We have just emerged from a year of record production. The hog supply apparently is again returning to normal proportions, and receipts have been dwindling. As pork production has decreased, storage stocks have been drawn upon to help supply the consumptive demand, and prices have strengthened."

A Chicago dispatch to the press to-day says: "American meat packers may look for a better foreign market in 1925, with a decrease in volume but an increase in total value, Secretary R. E. Chapman of the American Provision Export Corporation declared October 21 in an address before the Institute of American Meat Packers. 'Germany and the Central Empires are the key to the whole situation,' he said. 'As business conditions in Germany improve under the Dawes plan, labor will be drawn away from agriculture into industry, increasing the demand for American meat products. Their requirements for American meat products are now relatively large, and the recovery of our trade with Germany depends only on their ability to pay.'"

Bread Price in France

A Paris dispatch to the press to-day states that the price of bread was increased by 1 sou to 1 franc 35 centimes a kilo October 21. The new price was made necessary by the steadily increasing price of wheat.

Section 2

Agricultural Exports

In a Department of Commerce bulletin devoted to the "Relation Between Value and Volume of Agricultural Exports," H. M. Strong, special agent of the department, warns of the misleading impressions produced from comparing merely the enormous sums of money represented by foreign trade in agricultural products in the last few years with pre-war figures of the value of these exports. Thus, he points out the "significant sum of $4,000,000,000, the value of farm products exported at the peak 1919, represents only something more than $1,600,000,000 in terms of pre-war value, a real advance of $600,000,000, or but 58 per cent over pre-war trade, instead of the apparent $3,000,000,000, or 292 per cent expansion shown by the export value." Further illustrating this subject, Mr. Strong goes on to say in part: "The volume of agricultural products exports reached their lowest level in 1917, when, instead of being greater than 1915 by $423,000,000, as indicated by the export value, they actually fell off $439,000,000 in terms of pre-war prices, almost touching the pre-war volume. The decrease in export values for 1920 was $628,000,000 as compared with 1919, or equivalent to 60 per cent of the pre-war average value of all agricultural exports, but in terms of pre-war prices this decrease was $336,000,000, or only 33 per cent of the average value before the war." (Press, Oct.21.)

Binder-Twine Prices

An editorial in Farm Implement News for October 9 says: "Always at this period of the year many dealers begin to wonder whether binder twine prices will be higher or lower for the following season than they were during the past season....Several letters from dealers this week ask us to tell them just what the season of 1925 will see in the way of twine prices. That's quite an order to be filled so far in advance, and about all one can do is to describe the situation and outlook, especially with reference to fiber prices. In the first place it may be said that whatever influence the price of manila fiber has on the price of sisal and the price of twine, it is now making for a higher level. For manila has scored several advances aggregating more than 4 cents since the first of July....The situation is somewhat complicated by the Government's suit to dissolve the Sisal Sales Corporation....The question which now arises relates to the stability of the price on manila. There has been no demand in this country to justify the advance, but it is claimed that the increase in the demand the world over has been sufficient to warrant it. And this finds partial confirmation in the official manila fiber statistics which recently showed that stocks in the Philippines were the smallest in fourteen years. In view of the facts here stated we think all will agree that higher twine prices are indicated. How much higher they will be depends upon later developments."

Butter in North Dakota

The Dairy Record for October 15 says: "There isn't a great deal said about North Dakota as a growing butter State, but the progress it is making is little short of astounding. According to W. F. Reynolds, North Dakota Dairy Commissioner, the amount of

butterfat marketed in that State has increased one thousand per cent in the last ten years. Nearly $10,000,000 worth of cream was sold through cream stations alone during 1923."

Canadian Wool

A report just made by the Canadian Cooperative Wool Growers states that on Sept.1 the Canadian wool clip was practically all out of the hands of the individual growers, while a very large part of the wool held by the smaller dealers had also been cleaned up. The clip for 1924 is estimated at from 12,000,000 to 13,000,000 pounds, and will have a value to the growers of about $4,000,000. The division of the clip is approximately the same as last year, when Ontario accounted for 5,024,399 pounds; Alberta, 1,387,247 pounds; Quebec, 4,682,602 pounds, and Nova Scotia, 1,455,585 pounds. The 1924 clip is stated to be higher in quality than those of other years. (Press, Oct. 21.)

Danish Farms

During the last few years the farmers of Denmark have been so prosperous that at least 50 per cent of all farms are now electrified. The average farm is about fifty to seventy-five acres. The farmers specialize in the raising of grain, sugar beets and fodder, as well as in dairying. Farm tenancy is negligible, the Government encouraging, through loans, the policy of farm ownership. Most of the farms obtain their power from central plants, which are, to a large extent, owned cooperatively by the consumers. Electric power is used for lighting, threshing, grinding, feed cutting, pumping and for other farm tasks. (Press, Oct.21.)

Forestation

An editorial in Hoard's Dairyman for October 17 says: "The desire to own land is fundamental to national stability. We can and should discourage and perhaps stop the settlement of land which is poor and unproductive. Too many States through their immigration and land service departments have and are encouraging settlers to occupy lands which should be devoted to forestry. It would be well for this Nation if millions of acres of land could be withdrawn from crop raising and devoted to the growing of trees. Much land that is occupied at present is only profitable when agriculture is booming, when prices reach the levels they did in 1919. It is a pity that as a Nation we have been so careless in our methods of settling land and have commercialized in too many instances the most natural and wholesome desire in all the world; namely, that of owning a piece of land. It is a crime to encourage men with their little families to settle upon much of the poor land that is now occupied or has been occupied. In the past few years thousands of farms have been vacated. The lessons learned have been valuable, but have been extremely costly and severe and many of them were unnecessary if the State and Federal authorities had encouraged the settlement of no lands except those which are productive. Our land policy, our methods of settling lands, can well be criticized, for it is our opinion that if a wiser and better thought out plan had been instituted, there would not be the wide fluctuation in farm prices and there would not be the occasion for agricultural depressions. Low prices of farm products force farmers to vacate these poor lands, but this tragedy might have been avoided if our land policy had been well organized; then it would

not have been necessary for inexperienced people to pay the penalties that have been paid by trying to operate unproductive soils."

Livestock Prices St. Louis Daily Live Stock Reporter for October 15 says: "It isn't often that we see agricultural college experts openly expressing their belief in an upturn in livestock prices. Dr. H. P. Rusk, head of the Animal Husbandry Department of the Illinois College of Agriculture, is one, however, who sees better days ahead for finishers of beef cattle and hogs. Here is how he views the market situation and outlook: 'Not only are there indications that the supply of fat beeves and porkers will be short, but also there is no reason to believe that there will be a slump in the good demand which has been made for these products during the past year. Surplus swine of the country already have been marketed, and the offerings of porkers at the large central markets are back on a normal basis. This is reflected in the strong advances in swine values during recent months. In addition, there has been a reduction of about 20 per cent in the hog population. However, this reduction in numbers does not indicate the full extent of the slump in available pork. There not only has been a large reduction in the number of swine, but the condition of the remaining animals, both as to health and weight, is far below normal. The corn pork ratio has not encouraged liberal feeding, and swine have been neglected in many other ways.'"

Living Cost The cost of living in the United States increased 9-10 of 1 per cent from June to September of this year, although for the year period beginning with September, 1923, the general level decreased by the same amount. These changes, as set forth in a statement October 21 by the Bureau of Labor Statistics of the Department of Labor, disclosed a net general increase of 70.6 per cent from December, 1917, to September, 1924.

Muscle Shoals The Washington Post October 21 says: "If Congress has not disposed of the Muscle Shoals power plants by July next, when they are expected to be completed, the War Department will take steps to dispose of the power they produce, Secretary Weeks indicated yesterday."

Raisin Market A Fresno, Calif., dispatch to the press of October 20 says: "It would be folly for a single additional vine of raisin grapes to be planted in California until present growers are assured a living, says Ralph P. Merritt, president of the Sun-Maid Raisin Growers' Association of California. Up to January, 1924, he pointed out, the maximum consumption of raisins was 140,000 tons per annum. Heavy plantings from 1919 to 1922 brought the raisin acreage from 100,000 acres to 300,000 acres, with a normal production this season of 300,000 tons. He said the demand had been increased to 200,000 tons per annum and that the remaining 100,000 tons might be sold as by-products."

Wheat Pooling

The St. Louis Daily Live Stock Reporter for October 17 says: Australia, home of much paternalistic and communistic legislation, has gone 'one step further' according to cable advices, the legislative assembly at Melbourne, passing a bill providing for compulsory wheat pooling. It is not known whether the measure will become a law, neither are its provisions available. The report is significant, however, in showing which way the wind is to blow in that the eventual end of agricultural aid legislation will be through Federal operation, if the politicians have their way. Australia is essentially an agricultural and pastoral country. Its industries are dwarfed in comparison with its farming and range activities. Its population dependent upon manufacturing is no doubt numerically much smaller than the rural population. If, in the face of these facts, the legislature there can pass a measure compelling the producer to pool his wheat whether he wants to or not, what might not be done in the United States where the urban population or consuming element now outnumbers the farmers?.. We do not believe that the time has yet come for the abolition of individualism in the United States. When the population becomes so great that we can not feed our own people it may necessitate Federal supervision of the soil in order to prevent general starvation but we are a long way from that. Those who are clamoring for new laws to aid the farmer or the ranchman or this or that would do well to look ahead and see where they will eventually lead. They may turn out to be a boomerang that will injure the very folks they are designed to benefit."

Wild Life Conservation in Britain

An editorial in Country Life (London) for October 11 says: "Last year the Society for the Promotion of Nature Reserves published a useful little handbook giving an account of what the society had done and was doing. It proved to be a very successful publication, and, in consequence, a handbook for 1924 has just been issued and hope is expressed that it will appear annually in future....There are two features in the report that deserve, as we think, every possible help and encouragement. The first and most important is to be found in the attention which is now being given to the preservation of wild animals that are not necessarily installed in nature reserves. As an instance of the society's care in this respect, reference is made to a letter signed by the President, Viscount Ullswater, and by Viscount Grey of Fallodon, to urge upon all who had it in their power to afford such protection as is possible to the two rarest British mammals, the wild cat and the pine marten. This letter was addressed to all owners and occupiers of deer forests in Scotland and the answers received are described as entirely sympathetic. The merits of such a step are too obvious to need recapitulation. It is sound policy to secure the cooperation of the owners of the wild country inhabited by these two wild species. During recent years the attitude to such wild animals as are threatened with extinction has changed greatly for the better....It would not be fair to ignore the great advance in humanity and what we might call education in the value of wild life which has taken place among the gillies, gamekeepers and their associates. Far more of these men are adepts in natural history than was the case before, and the society is doing splendid work

in its effort to retain their sympathy and cooperation. In the same spirit the rather grandiose idea for securing a national reserve for wild life in Scotland has been discouraged by the society on the ground that at present the deer forests under their owners or occupiers form the best possible reserves of this kind..In other words, they are working in the most friendly way with the society."

Section 3
MARKET QUOTATIONS

Farm Products

Oct.21: Maine sacked Green Mountain potatoes mostly $1.25 to $1.50 per 100 pounds in eastern cities; bulk stock 55¢ f.o.b. Presque Isle. New York bulk Round Whites $1.10 to $1.15 in New York; sacked stock $1.25 to $1.40 in other markets, 90¢ to 95¢ f.o.b. Rochester. New York domestic type cabbage ranged $8 to $14 bulk per ton, top of $20 in Cincinnati; few sales $6 to $6.50 f.o.b. Rochester. Danish type mostly $15 to $20, with sales at $9 to $11 at shipping points. Yellow varieties of onions from New York and the Middle West ranged $1.50 to $2 sacked per 100 pounds for best stock, $1.50 to $1.70 f.o.b. Rochester. Eastern Jonathan apples sold at $4.50 to $6.50 per barrel. Virginia Delicious mostly $6, Grimes Golden $4.00 to $5, New York Twenty Ounce $4 to $4.75. Illinois Jonathans $7.50 to $8 in Chicago.

Grain prices quoted October 21: No.1 dark northern spring wheat Minneapolis $1.43 to $1.65. No.2 red winter Chicago $1.50 1/2 to $1.51; St. Louis $1.57 to $1.60; Kansas City $1.53. No.2 hard winter Chicago $1.44 1/2; St. Louis $1.43; Kansas City $1.33 to $1.46 1/2. No.2 mixed corn Chicago $1.08 to $1.09; Minneapolis $1.02 3/4 to $1.04 1/2; Kansas City $1 to $1.01. No.2 yellow corn Chicago $1.08 1/4 to $1.10; Minneapolis $1.05 1/4; Kansas City $1.07 to $1.08. No.3 yellow corn Chicago $1.07 1/4 to $1.08 3/4; Minneapolis $1.04 1/4; St. Louis $1.07. No.3 white corn Chicago $1.07 to $1.08 1/4; St. Louis $1.07 to $1.07 1/2. No.2 white corn Kansas City $1.07. No.3 white oats Chicago 48 1/4 to 49 1/2¢; Minneapolis 45 1/2 to 46¢; St. Louis 50 1/2 to 51¢; No.2 white corn Kansas City 50 1/2¢.

Chicago hog prices closed at $10.60 for the top; bulk of sales $9.20 to $10.20; medium and good beef steers $9 to $11.65; butcher cows and heifers $3.25 to $11.25; feeder steers $4.65 to $7.75; light and medium weight veal calves $8.25 to $10.50; fat lambs $12.75 to $14.25 and fat ewes $4.25 to $7.25.

Spot cotton up 34 points, closing at 22.66¢ per lb. New York October future contracts up 68 points, closing at 23.76¢. (Prepared by Bu. of Agr. Econ.).

Industrials and Railroads

Average closing price	Oct. 21,	Oct. 20,	Oct. 20, 1923
20 Industrials	101.85	101.14	87.83
20 R.R. stocks	88.12	87.70	78.95

(Wall St. Jour., Oct. 22.)

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DAILY DIGEST

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Vol. XV, no. 20 Section 1 October 23,1924

Agriculture and Business

How chambers of commerce and commercial organizations can assist in putting agriculture upon a firm foundation was outlined at the afternoon session of the tenth annual meeting of the National Association of Commercial Organizations in Washington yesterday by William Harper Dean, chief of the agricultural bureau of the Chamber of Commerce of the United States. "Slowly but surely we are realizing that agriculture, to achieve prosperity, must sell its output on a cost-plus basis," Mr. Dean asserted. "There is too much senseless optimism stirred up every time a commodity experiences a rising market. Thirty-cent cotton, $1.50 wheat, 11-cent hogs mean prosperity only to those who have produced these things at a cost low enough to establish a margin. Unfortunately there is not enough known of production costs. Surveys to determine these figures are a comparatively recent innovation. Here again the chamber of commerce, through its agricultural committee or bureau, has a definite duty to perform: Encouraging its agricultural college to make such studies. Blind exploitation of marginal agricultural lands, over-extension by the farmers, need to be discouraged by the chamber no less vigorously than blind production policies."

Packing Industry

A Chicago dispatch to the press to-day says: "Experience has proven to the meat packing industry the wisdom of taking the public into its confidence, since it has been shown that the public is fair and judges fairly on the basis of facts, according to G.F.Swift, vice president of Swift & Company and chairman of the committee on public relations of the Institute of American Meat Packers, in his annual report, made public October 22, to the convention of the institute in session at Chicago. Mr. Swift's report points out that until recent years the packing industry had not attached as much importance to its relations with the public as it does to-day, owing to the fact that the industry was growing rapidly and attention was directed necessarily to pressing problems of production, processing, sales, expansion, and similar matters. 'Now, however, the industry keeps the public better informed and has given out information of the most intimate nature concerning sales, profits, and operating costs,' the report continues. 'As a result, neither the producer of livestock nor the consumer pays much attention to the demagogue's cry that the price of meat to the consumer could be lowered and, at the same time, the price of livestock increased by removing the packer or hedging him in with additional legislative restrictions. On the contrary, the public is coming to understand that the packer's high efficiency enables him to return to the producer a much larger share of the consumer's dollar than is true in the case of most other commodities.'"

Public Lands

The reclamation fund's share of the proceeds from the public land sales in the quarter which closed September 30 was $198,598, the Interior Department announced October 22. (Press, Oct.23).

Section 2

Canada's Purchasing Power

A bulletin of the Canadian Pacific Railway states that "the return of the Canadian dollar to a parity with the American dollar should be of much assistance to exporters in the United States who cater to the Canadian trade." It is stated that the volume of exports to Canada has without doubt been kept down in the past by the depreciation of Canadian currency, which resulted in an additional tax on imports from the United States. "It is now definitely known that the purchasing power of Canada will be as large during the coming year as it has been during the last," says the bulletin. "The Canadian wheat crop will probably be somewhat over 300,000,000 bushels and it is estimated that the value will be $400,000,000. It is quite possible that this year's crop, though smaller in quantity than that of 1923, may bring more money. If this is true of the West it is much more true of the East, for in that part of the country the farmers have much larger grain crops than a year ago."

Cooperation

An editorial in The Milwaukee Journal of October 20 says: "Another milestone in the farm cooperative movement in this country is marked by the arrival in Chicago of representatives of the Cooperative Wholesale Society, Ltd., of Great Britain, to deal with officers of the Grain Marketing Company. The Grain Marketing Company is the farmers' cooperative concern being launched by the merger of four great grain merchandising companies of Chicago. The British society is a cooperative selling organization which comes here to buy wheat for its 6,000,000 members. So direct contact is established between farmer and consumer. What is going on in the wheat world is likewise taking place in tobacco. Organized tobacco growers in seven States sent a commission to Europe and established direct contact with European cooperative sales agencies, and with directors of Government monopolies in countries where the Government controls purchase and sale of tobacco. Their purpose was not only to pave the way for direct field to consumer sales, but to study the wants of the European market. The farmer is beginning to take a world view of his industry. In a recent speech, ex-Governor Lowden pointed out that organized industries by studying trade movements and shaping production to the consumer's wants are able to mitigate the effects of supply and demand, while the farmer, without organization, is at its mercy. Whether the farmer through these efforts will be able to do in a measure what other organized industry does, can be decided only be experience. But those who go about saying that the farmer does nothing to help himself overlook the growth of the cooperative idea in the agricultural business field."

Corporations

An editorial in The Wisconsin Agriculturist for October 18 says:"...A great deal is being said about big business having the public by the throat, shaking the shekels from all but a few favored pockets. One of the great corporations often lambasted is the American Woolen Co., the world's largest manufacturer of woolen goods. A few days ago this company opened for inspection its new

lines of woolens for women's wear, at prices from 8 to 13 per cent below the prices of a year ago. Raw wool is now higher and the wage scale the same as at this time last year. Why did not this great corporation put prices up and make a profit that would enable it to pay dividends? The answer is that the public would not pay higher prices and it is poor business to try to force goods that the market will not absorb readily. This instance is cited as an evidence that there is considerable bunk being peddled by those who seek to attack large business enterprises.... ."

Cotton Pars

The Wall Street Journal of October 22 says: "Par for the cotton condition report, to be published October 25, is 274.4 pounds against 276.8 in the preceding report. Figured on this basis alone, if there were no change in the condition figure, the cotton crop forecast for the year would be 200,000 bales less than in the preceding report. If the trade, therefore, will do a little preliminary figuring it will have less occasion for mystified criticism of the 'pars' and those who use them....If the trade will multiply the par to be used in this forthcoming report, 274.4 by 53.5, which was the condition figure two weeks ago, it will get what the yield per acre would be on that condition. Multiplying this by 40,000,000, or the approximate acreage, will give the total amount of lint that would be produced under such a condition. To reduce this to bales divide it by 478. In this case the product would be 12,280,000 bales, the estimated crop of a condition of 53.5 and a par of 274.4. Every point above or below that condition figure would mean about 232,000 bales. Pars for October 18 are based on only five years' record, which must detract somewhat from their value. The Crop Reporting Board, however, will have the ginning figures, with estimates of probable yields in pounds, submitted by the reporters. These different factors will enter into the making of the forecast in connection with the pars, and perhaps will be the determining factors."

Cotton Production

An editorial in The Progressive Farmer for October 11 says: "Many appear to believe that the cotton growers of the South are likely to soon lose their supremacy in the world's cotton production. They cite as evidence of this a 40 per cent increase in Argentina, a 12 per cent increase in Egypt, a 3 per cent increase in India, 10 per cent in Peru, and 20 per cent in Brazil, and similar increases in other countries. These statements are misleading to those who do not know or consider the small acreages previously planted in those countries....Whether prices remain relatively high or not, there will probably be an increase in acreage planted in foreign countries during the next and future decades, and the higher the prices the greater the increases in acreage, but it will be many years, longer than any of us will live, before the increased production in foreign countries will threaten the supremacy of America in world cotton production. The increase in foreign production will probably not equal the increase in foreign demand for the next ten or twenty years at least. Increasing the acreage greatly in any new crop, especially in cotton in these new countries, providing gins and warehouses and other marketing facilities, and

teaching these peoples to grow and handle the crop is a slow and difficult task. Revolutions occur in politics and Governments, but not in crop production or agriculture. The present American cotton farmer does not need to fear the competition of foreign countries, but he has reason to fear the competition of his own countrymen. He must increase his own efficiency in producing the crop in order that the earnings per worker in his cotton fields will be increased."

Farmers and Labor

An editorial in The Business Farmer for October 11 says: "There are many idle men in Detroit and other leading manufacturing cities and they will probably take less money when they go back to work. This means that when you come to buy the articles which they manufacture you will have to exchange less of your products than you did a year ago because then farm products were selling way below par and city labor was selling well above. This year that condition is somewhat altered. And yet there were those who preached to us about a farmer-labor party! Just where does their line of reasoning commence and where does it finish? Right now, we assume, these gentlemen would have the farmers support them in their demands for a continuation of high wages, but we question whether they would be any more aggressive in helping the farmer get a fair price for his produce than they have in the past four years. The farmer does not need to affiliate with any group, either labor or capital. His problems are the problems of his neighbors only. And there are enough neighbors and enough problems, so that he will not lack for either company or a place to expend his energies where they will count!"

Finns Pass Tariff Bill

A Helsingfors dispatch to the press of October 22 states that the Finnish parliament passed the final reading of the Government's new tariff bill October 21 by a vote of 104 to 82. Under the bill the Government is authorized to increase up to four times the present maximum duties on imports from countries which have no treaty with Finland or which treat Finnish imports less favorably than those from other countries.

German Sugar

The New York Times of October 22 says: "The first cargo of German beet sugar to be shipped to this country since 1920 is expected to arrive early next month, according to advices received in local sugar trade circles yesterday. The quantity being shipped is said to be small and resulted from the higher prices quoted in this country. Hertz & Co., local sugar brokers, are reported to be offering the sugar at 6.90 cents a pound, ex-dock New York harbor. This price is about five-eighths of a cent a pound below the price quoted for granulated sugar by local refiners."

Sugar Tariff

The press of October 22 says: "Western beet sugar interests October 21 asked President Coolidge to give them an opportunity to present their views on the sugar tariff before he takes final action upon such reports as may be presented by the Tariff Commission. The Tariff Commission is still at work upon the supplementary report called for by Mr. Coolidge, holding meetings each day for the consideration of data compiled by its sugar experts. Chairman Marvin

said it would not be possible to predict when the material would be shape to present to the White House and indications are that many days will elapse before the members of the commission can come to an agreement among themselves as to the sufficiency of the information from their individual point of view. It was learned October 21 that a partial report had reached President Coolidge from the Department of Agriculture and that a final report is yet to be prepared. Secretary of Agriculture Wallace...it is thought will desire to discuss the matter with the President before the completed report is transmitted to the White House. At the White House it was indicated that President Coolidge will not be inclined to rely on other than the information furnished by the Government departments to guide him in arriving at a conclusion in the matter of the tariff on sugar. He will receive briefs from interested parties and will probably act by the character of the reports that will come to him from the Tariff Commission and the Department of Agriculture, with possibly advice from such members of his Cabinet as Secretary of Commerce Hoover.... ."

Taxation in Florida An editorial in The Florida Times-Union of October 11 says: "In recommending to the people of Florida an amendment to the State constitution which would prohibit the levying of taxes upon incomes and inheritances, the legislature in its last session intended to do something that would be popular and useful. The matter is now about to be voted upon by the citizens of the State, and it would appear that the sentiment is almost unanimous for its ratification....Florida is now being talked of in many parts of the country because of this proposed legislation to prevent double taxation, and the further advertisement that would result from a heavy vote recorded in favor of the amendment would be even more beneficial. No State or people enjoys the payment of taxes. When it comes to the point of paying twice upon the revenue gained through identical sources the discontent is marked. The Federal Government having instituted income and inheritance taxes, to meet a great emergency, some States have followed this lead, and the citizens are ordered to pay twice upon their incomes and upon any inherited property....Florida newspapers are nearly unanimous in urging the ratification of this amendment, and it is because they feel it is worthy of support. There is nothing partisan or political about it. It is a measure of economy that should appeal to every citizen and must have the earnest support of all who have looked into the matter seriously and carefully."

Wheat Prices An editorial in American Agriculturist for October 18 says: "When we think of wheat, we are apt to think of it as being grown exclusively in the West. As a matter of fact, wheat growing is no small industry in many Eastern States. Some of the finest wheat in the world is grown in Central Pennsylvania, and in New York State alone it is grown on more than 50,000 farms....All of which means that the eastern farmer is going to have no small share in these better grain prices. Further than this, there is a distinct upward tendency for other farm products, all of which is encouraging. Just at present, the only part of the farm business that is lagging behind is dairying, and of course high grain prices

increase the dairymen's problem. However, even here it may be a od thing. In the first place, when one part of the farm business prospers, sooner or later all of the rest does; and then, again, perhaps the higher prices of feed will cause less of it to be fed to worthless cows and this in turn will reduce the volume of milk and increase milk prices....."

Section 3

MARKET QUOTATIONS

Farm Products

Oct.22: Maine sacked Green Mountain potatoes mostly $1.25 to $1.45 per 100 pounds; bulk stock 50¢ to 55¢ f.o.b. Presque Isle. Cabbage unsettled with a slightly weaker tendency. Domestic type from New York ranged $8 to $14 bulk per ton in eastern cities; mostly $6 f.o.b. Rochester. Onions steady to firm. New York yellow varieties mostly $1.75 to $2 sacked per 100 pounds in eastern markets; $1.40 to $1.60 f.o.b. Rochester. Pennsylvania and Maryland Jonathans and Virginia and West Virginia Grimes $4.50 to $5.50 per barrel in eastern cities. Illinois and Missouri Jonathans $7.50 to $8 in Chicago.

Chicago hog prices closed at $10.35 for the top and $9 to $10 for the bulk; medium and good beef steers $6.80 to $11.75; butcher cows and heifers $3.60 to $11.40; feeder steers steady at $4.65 to $7.75 and light and medium weight veal calves $8.25 to $10.50; fat lambs $13 to $14.35; feeding lambs $11.25 to $14; yearlings $9 to $11.75 and fat ewes $4.25 to $7.25.

Closing prices on 92 score butter: New York 37 1/2¢; Chicago 36 1/2¢; Philadelphia 38¢; Boston 37 1/2¢.

Average grain prices quoted October 22: No.1 dark northern Minneapolis $1.44 to $1.66. No.2 red winter Chicago $1.53 1/2 to $1.54 1/4; St. Louis $1.58 to $1.61; Kansas City $1.53. No.2 hard winter Chicago $1.43 3/4 to $1.44 1/2; St. Louis $1.43 1/2; Kansas City $1.36 to $1.47. No.2 yellow corn Chicago $1.08 3/4 to $1.09 1/4; Minneapolis $1.05 to $1.05 1/2; Kansas City $1.08. No.3 yellow corn Chicago $1.07 3/4 to $1.08; Minneapolis $1.04 to $1.04 1/2; St. Louis $1.07; Kansas City $1.07. No.3 white corn Chicago $1.07 1/2 to $1.07 3/4; St. Louis $1.07 1/2 to $1.08; Kansas City $1.03 1/2. No.3 white oats Minneapolis 45 1/8 to 45 5/8¢; St. Louis 50 1/2 to 51 3/4¢; Kansas City 50¢.

Spot cotton up 16 points, during the week, closing at 22.82¢ per lb. New York October futures up 19 points closing at 23.95¢. (Prepared by Bu. of Agr. Econ.).

Industrials and Railroads

Average closing price	Oct.22,	Oct.21,	Oct.22,1923
20 Industrials	101.96	101.85	87.48
20 R.R. stocks	88.72	83.12	78.38

(Wall St. Jour., Oct. 23.)
